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# Latin America Report

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7 December 1982

## LATIN AMERICA REPORT

No. 2617

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## BRIEFS

FUEL, UTILITIES PRICE HIKES--Fuel prices go up 22.3 percent as from today. Natural gas, telephones, electricity and sanitary works are also becoming 20 percent more expensive according to an official announcement. The hike in rates, the second in the last 33 days, was announced by the public works and Services Ministry. [Text] [Buenos Aires BUENOS AIRES HERALD in English 20 Nov 82 p 9]

OIL DEPOSIT DISCOVERED--Buenos Aires, 10 Nov (TELAM)--Government oil deposits (YPF) has confirmed the discovery of an oil deposit 55 km south of Mendoza in the Tupungato region. Initial tests indicate that the well will produce 380 cubic meters of crude daily and 84,000 cubic meters of gas daily. [Buenos Aires TELAM in Spanish 2015 GMT 10 Nov 82 PY]

LIQUID FUEL SUBSTITUTION--As a result of substituting gas for liquid fuel under a plan of the Public Works and Service Ministry and the Economy Ministry, fuel oil exports will be increased by more than 1 million cubic feet per year. [Buenos Aires DYN in Spanish 9 Nov 82 PY]

CSO: 3348/93

## REPORT ON EFFECTIVENESS OF GASOLINE COUPONS

Managua EL NUEVO DIARIO in Spanish 10 Oct 82 pp 1, 7

[Text] Nicaragua saved \$900,000 in foreign exchange during September thanks to gasoline rationing, reported engineer Manuel Chavez Mendoza, director of PETRONIC [Nicaraguan Petroleum].

September was the first month in which the gasoline coupon system was in effect at the national level. It should be noted that there was no one in our country with experience in this type of control when the system was set up. For that reason, changes to optimize the system had to be made while it was underway. The gross saving was 20 percent of the traditional consumption for the given period.

The establishment of the use of coupons has made it possible to ensure fuel for the productive areas. That is, the allocation of gasoline is done on the basis of the needs of each motor vehicle owner. Lines formed at the filling stations because of the dearth of the product only toward the end of September, but the gasoline that was delivered was 80 percent of the previous consumption.

It will be possible to determine the consumption at the departmental level now that the system is in place nationwide since the start of September. Problems have cropped up in the process of setting up the system for which solutions have been sought, and PETRONIC is open to suggestions to improve the system even more.

#### Protect the Productive Sector

The engineer Chavez Mendoza emphasized that the purpose is to economize gasoline without affecting the truly productive areas, because it would be illogical to save dollars and affect the productive sector. The latter will be supplied even the last drop of gasoline it needs.

With regard to the expenditures in the departments, it is known that they are in keeping with the seasonal changes.

Consumption for October has been set at 80 percent of the amount consumed in October 1981.



### No Sales Without Coupons

Chavez Mendoza also reported that penalties will be imposed on filling stations that make sales without coupons. Some 14 filling stations were monitored in Managua and irregularities were discovered in many of them.

PETRONIC AND ANDIPET [Association of Nicaraguan Distributors of Petroleum Products], the latter represented by its president, Juan Carlos Morales, reached an agreement calling for each filling station to submit coupons for the amount of gasoline ordered starting in October. The first order had no restrictions, but the second already has to be backed up by coupons. Though the amount of coupons represents 80 percent of the gasoline normally expended in Nicaragua, the gasoline companies--four distributors--could contend for the market in terms of the attention they provide to the customers. The quota assigned to each petroleum company was suspended.

### Diesel Fuel Without Coupons

With respect to diesel fuel, it is being allocated at 100 percent of its 1981 consumption figure and sold without coupons.

In the case of international freight and passenger motor vehicles bearing foreign license plates, they must purchase their coupons at the borders using dollars. This was decided after a thorough study by the Customs Office and the Ministry of Transportation and Finance. Although this may surprise many people, this measure will bring about savings of nearly \$3 million annually.

To improve operations, an office to deal with the public was created within PETRONIC under the direction of Manuel Castellon and staffed by 12 young men.

### Engineers Protest

Doctors were assigned quotas ranging from 40 gallons for 4-cylinder up to 50 gallons for 8-cylinder motor vehicles. A large number of professional people, especially engineers, have protested against this decision alleging that doctors park their motor vehicles in hospitals and clinics, while other professional people have to do field work and therefore travel more.

Chavez Mendoza explained that the various labor unions are being contacted in order to improve delivery and distribution, inasmuch as it is better and easier to reach an understanding with the organizations than to deal with each case separately.

It is expected that all the shortcomings will have been corrected by November. PETRONIC put into a computer the information on all the motor vehicles in the country and can tell even the number of vehicles of any given color nationwide.

### Improperly Filled Traffic Cards

More than 400 improperly filled traffic cards have been uncovered precisely by the computer, and that is why those motor vehicle owners are having problems getting their coupons. Besides, there will be the resultant delay of having to go back to the Traffic Department and again to PETRONIC.

Another problem that has come up is that motor vehicles used for commercial purposes show up as private, and viceversa. This creates a logical problem for the owner of the motor vehicle when the time comes to issue the coupons. Moreover, the owner has to waste time by being compelled to justify its use. PETRONIC has representatives at all departments empowered to solve all the problems.

#### 450,000 Five-Gallon Coupons

Some 450,000 five-gallon coupons and 150,000 one-gallon coupons were delivered last month. Motorcycles are allocated 12 gallons monthly. Coupons are also being issued to people who need gasoline supplies, such as owners of some concerns that use gasoline (vulcanizers), fishermen, owners of motorboats, farmers (for pumps) and even people who make a living trimming gardens and own a trimmer.

The sale of gasoline in our country is done 9 percent directly (by companies that own their own gasoline pumps), 13 percent through the government, and 78 percent through filling stations. The government has fully complied with fuel conservation measures.

8414

CSO: 3248/178

## BRIEFS

FORUM FOR PEACE DEMOCRACY--Foreign Minister Fernando Volio Jimenez has announced that the next meeting of the Forum for Peace and Democracy will take place in February or March. Volio said that although no decision has been made as to the country where the meeting will be held, it is possible that it will be either in Santo Domingo, Dominican Republic; Kingston, Jamaica; or Caracas, Venezuela. Meanwhile, Volio has been working on a program to visit several countries in order to work out the details for the forum's activities in search of pacification formulas for the Central American and Caribbean region. So far Volio's contacts with several democratic countries in the region indicate that additional countries will participate in the next meeting of the Forum for Peace and Democracy. Volio said that at least four Central American and Caribbean countries will join the forum. He added that he has also been drafting the preliminary document regarding the creation of the organization for electoral advice that the forum has proposed. The foreign ministers who participated in the meeting to create the Forum for Peace and Democracy designated Foreign Minister Volio as the organization's promoter. [Text] [PA261813 San Jose Radio Reloj in Spanish 1200 GMT 26 Nov 82]

CSO: 3248/300

LABOR MINISTER ON LABOR POLICY, ROLE OF UNION

PY241123 Buenos Aires Argentina Televisora Color Network in Spanish 0000 GMT  
24 Nov 82

[Summary] Tonight Labor Minister Hector Villaverian will answer questions posed by journalists regarding the government's 1982-1984 program.

[Question] Mr Minister, would you like to define the labor policy within the government's general plan?

[Answer] First of all we must take into account that the objective of the government's program is the country's institutional normalization. "For this purpose the labor policy must create the conditions in the socioeconomic sector that will help carry out the government's main objective, that is, normalization." This obviously means setting in motion a great deal of energy in the social sector, energy which has been paralyzed for several years. This consequently implies the need to review several methods, procedures and even attitudes in this sector."

The salary policy has an important role in this regard. We need decisive action to recover the purchasing power of the salaries and this has been dealt with "through a series of government measures implemented up to now, mainly seeking to reverse the situation, especially that of the lower income sectors."

We had to develop a salary policy capable of correcting the very low salary level and establish a system that would allow us to free the salary policy from the transitory situations and implement a social system which would be consonant with the country's development. We found the productive apparatus, that is, the entire productive structure of the country, extremely vulnerable and as a consequence had to measure the effort, the size of the salary increase in order not to worsen the situation into which the entire Argentine productive system had plunged."

We have been working on the lower income sector and have established successive fixed-sum increases which have noticeably improved the purchasing power of the salaries of the lower income sectors. As of November we will start implementing the second phase of our policy, which consists in adjustments corresponding to the cost of living.

[Question] "Mr Minister, what role do you think the Argentine labor unions will play within the program you have just outlined?

[Answer] "I am sure that the labor unions will play a really important role as they have done for a long time in Argentina. No matter the circumstances, labor unions have always had an active role in our country. "Within the policy we have now established and plan to carry out throughout next year we provide for an active presence of union representatives and other sectors of the society, such as the business sectors, not only to discuss the subjects regarding social issues but others that go beyond the labor sector but refer to the needs of the great majority of the population. Therefore, my answer is that unions will possibly, and we hope they will, play a significant role."

[Question] In your opinion, what would be the most important objectives within the socioeconomic sector which could propel the institutional normalization process?

[Answer] I would say that the three elements are "democracy in the political sector, expansion in the economic sector and justice in the social sector. I think that these are the basic elements for really achieving institutional normalization."

CSO: 3348/99

COMMUNIST PARTY LEADER ATHOS FAVA INTERVIEWED

PY171804 Buenos Aires LA SEMANA in Spanish 28 Oct 82 pp 63-66

[Interview with Athos Fava, Argentine Communist Party Secretary General, by Adrian van der Horst--date and place not given]

[Excerpts] [Question] How would you describe the relationship, if there is any, between priests and communists?

[Answer] The relationship is excellent. This rapport starts from the very first meeting. We take party material, exchange views...we see how we can best serve the cause of the people.

[Question] How about the relationship between the military and communists?

[Answer] There is also a good relationship with the military. We do not believe that there is a clear-cut dividing line between civilians and military. There are within the armed forces patriotic, democratic and anti-imperialistic sectors.... But there are also those which are not. We should not forget what happened on the Malvinas Islands....

[Question] Fava, what did happen on the Malvinas Islands?

[Answer] The Malvinas war has shown the complete failure of the national reorganization process. It had always been governing the country badly...but the Malvinas war was the straw that broke the camel's back. The people supported the Malvinas war, but they also demanded peace, bread and work. This shows the intelligence and patriotism of the Argentine people....

[Question] Fava, it has been said that the Argentine Communist Party is one of the political parties that has supported the national reorganization process the most....

[Answer] We have never supported the national reorganization process. We have documents to verify our position. We have always opposed coups d'etat... therefore, no one can say that we have supported [this process]. On the contrary, we have opposed the process and we suffered the consequences--we were persecuted. Thousands and thousands of communists were jailed; hundreds of communists are among the missing; dozens are dead...how can anybody say that we have supported this process?

[Question] Is the Argentine Communist Party subordinated to the Soviet Union?

[Answer] The party is not subordinated to anyone. We believe that the strength of any communist party lies in being able to enforce its own political guidelines and tactics without any tutelage. Our strength lies in being able to identify ourselves with our people and with those problems affecting the country. We are deeply patriotic...but this does not mean that we have to renounce the international proletariat. Marxism-Leninism assimilates the experiences of all countries throughout the world. Not doing so...would be the same as if a surgeon or a musician refused to incorporate the wisdom, the technique and the experiences of other great French, Italian, German or Soviet musicians and surgeons...and did not contribute to the development of the country.

[Question] In 1982, the Argentine Communist Party published a single open letter and it concerned the situation in Lebanon. Are there not other more urgent national issues to consider?

[Answer] The main issue the human race is confronting is the issue of peace or war...and the Middle East is one of the most volatile areas in the world. What is being set up in Lebanon by the Zionists through the support of the Reagan administration is leading to a third world war. That is why we published an open letter; because this time there will be no conquerors--there are none in a thermonuclear war. Everything that is done for the sake of peace must be supported.

[Question] Should we pay our foreign debt or not?

[Answer] Before anything is done we should first review it carefully, carry out an investigation and...start court proceedings against the guilty. Then we should form an association among Latin American nations and negotiate the foreign debt in a general manner.

[Question] Will Argentina ever be a communist country?

[Answer] Not only Argentina; all nations of the world will be communists. This will happen sooner or later and not only because we communists want it so....

[Question] Why then?

[Answer] Because it is a law of social development.

CSO: 3348/99

## BRIEFS

BELGRANO DEAD--(NA)--The navy has confirmed that 296 members of the service died in the sinking of the cruiser General Belgrano during the Malvinas War. In an announcement made last night, the navy said it based its "certainty of death" on the fact that it is impossible for any of these people to have survived the sinking of the cruiser "in view of weather and sea conditions, water temperature and the general circumstances at the time of their disappearance." The navy's announcement comes as an answer to recent reports about the existence of survivors from the cruiser's sinking allegedly imprisoned on the Malvinas Islands. [Text] [PY101755 Buenos Aires BUENOS AIRES HERALD in English 10 Nov 82 p 11]

ZAIRIAN OFFICIAL VISIT--Buenos Aires, 18 Nov (TELAM)--At noon today President Reynaldo Bignone received Dullio Yugasa Makanga Lengema, Zairian state commissioner for foreign affairs. The Zairian official, who is in charge of the international cooperation department of his country, is visiting Argentina. He went to pay his respects to President Bignone. He was accompanied by acting foreign minister Llamil Reston, Zairian ambassador to Argentina Mitima Kaneno Murairi and Argentine ambassador to Zaire Werner Burghardt. [Text] [PY181951 Buenos Aires TELAM in Spanish 1655 GMT 18 Nov 82]

PRC CULTURAL DELEGATION--Buenos Aires, 22 Nov (TELAM)--The PRC cultural delegation began its activities with a meeting at San Martin Palace with the purpose of establishing a plan of activities for the 1983-1984 period. The PRC delegation, which is headed by PRC Vice Minister of Culture Lu Zhixian, is making a tour through several countries including our country, Venezuela, Colombia, Ecuador and Chile. Present at the meeting today were Mario Corcuera Ibanez, head of the San Martin Palace cultural department, and a group of diplomats from the Foreign Ministry who are specialists in this area. [Text] [PY232011 Buenos Aires TELAM in Spanish 0040 GMT 23 Nov 82]

FISHING EXPORTS--Buenos Aires, 3 Nov (NA)--The secretary of maritime interests has reported that fishing exports during the first quarter of this year reached \$140 million, a record in this field. The secretary predicts that fishing exports will reach a total \$300 million this year. [Buenos Aires Noticias Argentinas in Spanish 1844 GMT 3 Nov 82 PY]



## BRIEFS

GOVERNMENT UNEMPLOYMENT FIGURES--Bridgetown, Barbados, 20 Nov, CANA--About 17,000 people in Barbados were unemployed in the third quarter of this year, compared with 13,226 in the July to September period of 1981, according to government statistics here. This represented a 3.1 percent rise in unemployment over the 12 month period, the government statistical department said. Data from the department's continuous household sample survey show that the unemployed as a percentage of the labour force for the third quarter of 1982 stood at 14.8 percent as compared with 15.0 percent for the second quarter of the year, and 11.7 percent for the third quarter in 1981, the number of adults increased from 177,500 in the second quarter, 1982 to 177,600 persons. This was also higher by 700 than the figure for the equivalent period in 1981. The labour force stood at 114,900 persons compared with 113,900 persons for July--September last year. [FL201735 Bridgetown CANA in English 1500 GMT 20 Nov 82]

NEW POLICE COMMISSIONER--Bridgetown, Barbados, 13 Nov, CANA--Orville Durant, a 46-year-old crime fighter described by the press as one of the most highly qualified in the Caribbean, has been appointed Barbados' police commissioner. Mr Durant, who has been acting "commissioner" since mid-October, replaces Aviston Prescod, who has resigned. The daily ADVOCATE-NEWS said of Mr Durant: "He would easily bring to the job some of the highest qualifications to be found at this time being held by anyone in such a post in the Caribbean." Mr Durant had acted as Senior Crown Council in the office of the director of public prosecutions for a 6-month period. [FL151915 Bridgetown CANA in English 1852 GMT 13 Nov 82]

CSO: 3298/1146

## POLL INDICATES VOTERS' CONFIDENCE IN FIGUEIREDO'S PROMISES

Sao Paulo ISTOE in Portuguese 27 Oct 82 pp 34-36

[Text] President Joao Figueiredo's solemn promise to make Brazil a democracy won a vote of confidence from the majority of the voters questioned in the IBOPE [Brazilian Public Opinion and Statistics Institute] study commissioned by the O Globo Television Network, the newspaper O GLOBO and ISTOE. It indicated that on a national average, calculated on the basis of the answers obtained in eight states, 39.9 percent of the voters believe that the president will still succeed in keeping his promise. This percentage is supported by 12 percent of the voters, who regard the democracy promised by Figueiredo as a project already completed. The contingent of those who indicated total skepticism, however, cannot be dismissed. "He will not succeed in making a democracy of Brazil," 32.7 percent of those questioned stated. Perhaps reflecting caution or indecision, another 12.8 percent preferred to choose the vaguer answer "Don't know." And 2.4 percent simply expressed no opinion.

In terms of states, Santa Catarina has the largest concentration of voters--17.4 percent--who feel that the president has kept his promise. At the other end of the scale, Minas Gerais had the lowest index--7.6 percent--for this response, and the highest--18.6 percent--for the response "Don't know." Rio Grande do Sul, in turn, had the highest percentage--45.9 percent--expressing the view that Figueiredo can still establish democracy in the country. It was this response, moreover, which was favored by the largest portion of those interviewed in seven states. Rio de Janeiro was the only exception. There, 41.6 percent of those questioned did not believe that President Figueiredo will succeed in achieving his goal of reestablishing democratic normalcy. This level far exceeds the national average of 32.7 percent.

In this eighth round of the analytical study being made by the IBOPE, ISTOE assessed the variations from the national average related to the age and income level of the individual interviewed (see charts). In terms of age, the response "He has already succeeded in making Brazil a democracy" was most common in the 50 or over age group, and least common at the opposite end of the age spectrum, from 8 to 24. Among voters between 40 and 49 years of age, there was a perceptible reduction in those answering "He still can succeed," which the answers of the next age group, 50 or over, served to neutralize. There was a steady downward trend, as the age of those questioned increased, in the percentage responding "Do not believe he will succeed." The most skeptical were found in the 18 to 24 year age group (37 percent). Among those 50 or over, the level dropped to 26.9 percent.

In terms of income level, the view that democracy already exists was distributed throughout the age groups in balanced fashion. At the same time, a decline in the frequency of answers questioning the establishment of democracy promised by Figueiredo were seen among those earning up to 16 times the minimum wage. To some extent, this decline is reflected in the level of "Don't know" responses, in the directly opposite direction. It can even be presumed that many of those who regard the response to the effect that democracy will not return as too drastic are also unwilling to state that Figueiredo "will still succeed in making Brazil a democracy."

Generally speaking, however, the dominant attitude of the voters toward the presidential promise of democracy is consistent with the answers given to another survey question: "In your view, what will happen if the opposition wins in the majority of the states?" To this question, 50.1 percent, on a national average, expressed the view that the opposition would take over normally. This response level comes very close to the combined percentages of answers "He has already made Brazil a democracy" and "He will succeed" (51.9 percent). The overwhelming majority of the voters questioned said further that the holding of the coming November elections is "Very important" or "Important" for Brazil and its citizens. Of those asked this question, 44.5 percent answered "Very important," 39.1 percent "Important," 6.5 percent "Not very important" and 6.2 percent "No importance," while 1.8 percent said they did not know and 1.2 percent expressed no opinion.

Blocking the possibility of a broad opposition victory is as important to the government as the elections. So much so that last week, when the sale of 400,000 tons of beans at the subsidized price of 60 cruzeiros per kilogram began, Minister of Agriculture Amaury Stabile predicted that the government campaign will aid the PDS [Social Democratic Party] in its electoral efforts. "Beans are the food of the people," the minister said. Opposition reaction was immediate. PMDB [Brazilian Democratic Movement Party] Senator Itamar Franco, from Minas Gerais, gave assurance that the "electoral beans" will not change how Brazilians vote, and that "they are trying to show, as in a plebiscite, that the country wants substantial changes." This may have been a reference, who knows, to the "bean war" waged in Rio de Janeiro at the end of October 1980. In view of the shortage of the product, the government has had recourse to an emergency solution: it has imported kidney beans from Argentina and offered them for sale at a price, also subsidized, of 25 cruzeiros per kilogram. There was a race to obtain this product, with the military police shoving and using their batons and tear gas in order to keep order in the interminable lines.

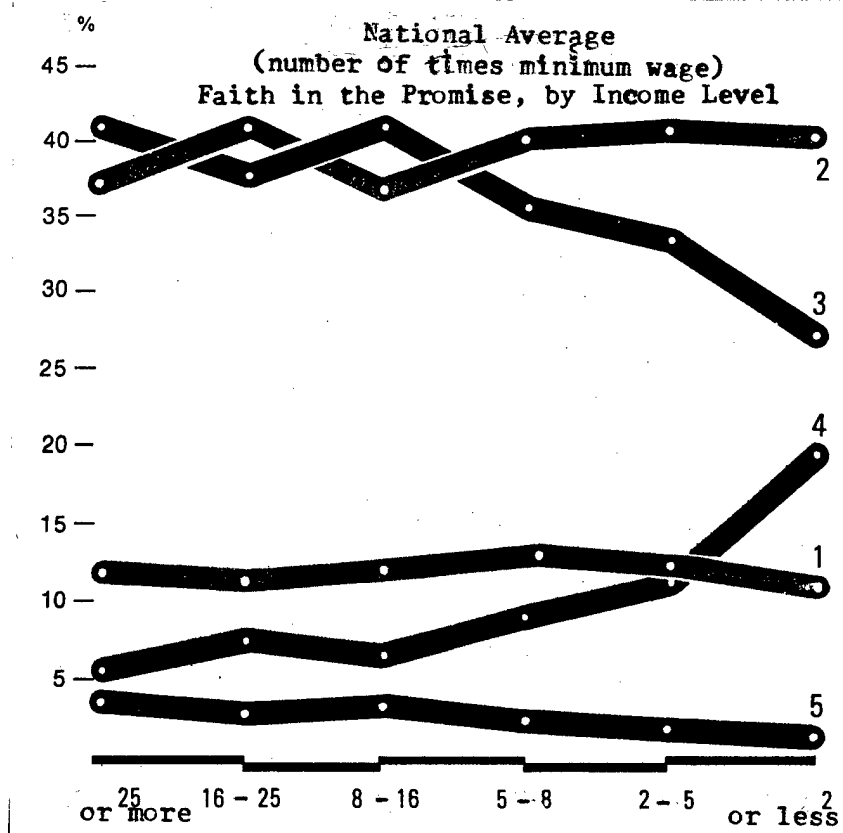
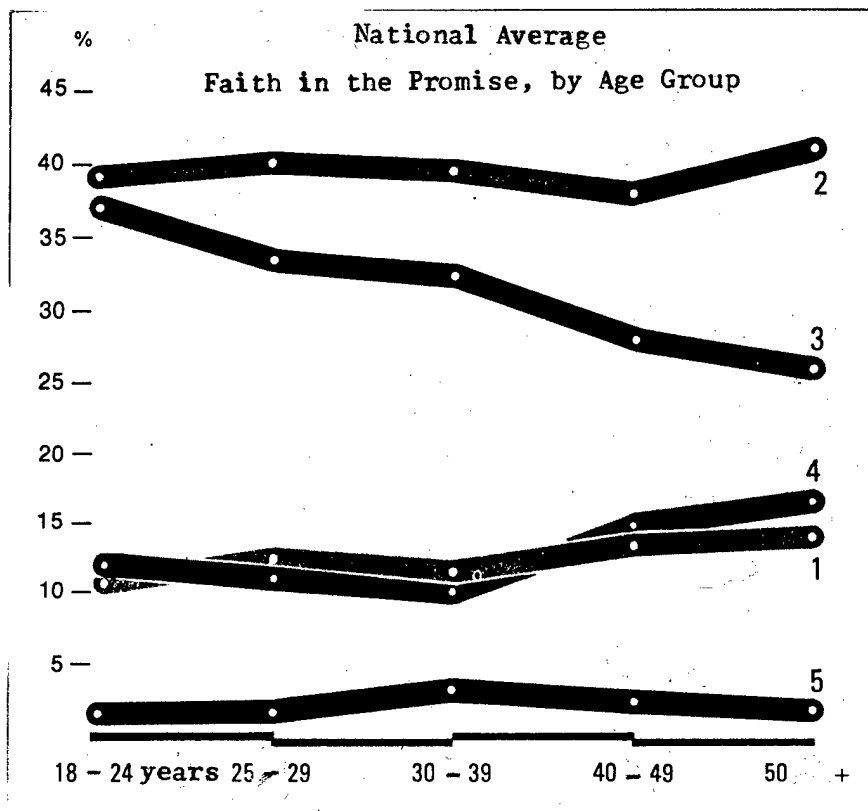
The recollection of such an indigestible bean dish adds importance to yet another conclusion derived from the IBOPE study. Among the problems to which the voters demand a solution, that with the greatest priority of all, by far, was food (see table). This is a concern which shows no modification even among those who make their living from farm activity. Quite the contrary, as the case of Pernambuco shows. There, due to the specter of drought, it was precisely in the agricultural sector that 70.7 percent of the answers termed food the priority problem for solution. Thus Pernambuco, in the final

analysis, had the highest index of all--63.2 percent, well above the national average of 48.3 percent. With regard to the other choices offered, education ranked highest in Bahia, with 16.3 percent; health ranked highest in Minas Gerais, with 18.2 percent; policing ranked highest in Rio de Janeiro, with 9.5 percent; housing ranked highest in Rio Grande do Sul, with 9.1 percent; and public services ranked highest in Bahia, with 8.4 percent. Again in Bahia, 5.2 percent answered roads, and in Rio Grande do Sul, 3 percent answered pollution. Pollution, moreover, is a problem frequently mentioned in the peripheral areas, because it concretely affects the daily life of the population of these regions, mainly in Rio Grande do Sul, Bahia, Minas and Parana.

#### The Democracy Promised by Figueiredo

	SC	PR	RS	BA	PE	RJ	MG	SP	National Average
1. He has already succeeded in making Brazil a democracy	17.4	8.4	14.5	14.5	14.1	11.1	7.6	8.3	12.0
2. He can yet succeed	38.3	38.9	45.9	35.3	44.4	39.2	38.0	38.9	39.9
3. Do not believe he will succeed	28.4	35.0	28.2	31.2	28.4	41.6	33.3	35.9	32.7
4. Don't know	13.3	14.9	9.5	15.7	11.7	5.7	18.6	13.4	12.8
5. No opinion	2.4	2.6	1.8	3.2	1.2	2.2	2.5	3.5	2.4

Key: SC Santa Catarina  
PR Parana  
RS Rio Grande do Sul  
BA Bahia  
PE Pernambuco  
RJ Rio de Janeiro  
MG Minas Gerais  
SP Sao Paulo



What Is the Priority Problem?  
(National average based on eight states, in percentage)

1	Food	48.3
2	Education	13.5
3	Health	12.1
4	Policing	6.8
5.	Housing	5.8
6.	Public services	4.6
7.	Roads	3.0
8.	Other	2.0
9.	Pollution	1.8
10.	Don't know	1.2
11.	No opinion	0.6

5157

CSO: 3342/22

## GOVERNMENT OFFICIALS, ECONOMISTS DISCUSS 1983 PROSPECTS

Sao Paulo O ESTADO DE SAO PAULO in Portuguese 24 Oct 82 p 62

[Text] Economists' Predictions for 1983

The foreign accounts goals for 1983, a trade surplus of 5 to 6 billion dollars and a deficit in the current balance of payments account of 8 billion dollars, have now in practice been defined, and await approval by the National Monetary Council (CNN) (see page 63). However, within the government, doubts and polemic discussions about the other parameters of the economic policy to be adopted next year, mainly with a view to reducing inflation, continue.

Among these doubts are those pertaining to the future of subsidies, the monetary correction method and possible changes in wage policy. But, some government technicians say, apart from the determination of the strategy for establishing the balance of payments, which is the main concern of the authorities, there should be no significant changes in economic policy in the coming year.

In the view of the economists in the private sector, however, these foreign accounts goals will lead to an economic recession in 1983, and the predictions range from a retraction similar to that this year to a drastic, dizzying drop in the gross domestic product, carrying over into 1984. And the concern of some of these experts is based in particular on the belief that this recession will be unproductive, given the maintenance of the present economic model.

"It is not a question of a recession to prepare for the reorganization of the Brazilian economy. We are instead playing a card in the hope that, if we have recourse to austerity now, international recovery will again carry us along with it," says economist Edmar Bacha, of the PUC [Pontifical Catholic University] in Rio. According to his estimates, a cut of 6 billion U.S. dollars in imports next year will lead to a shrinkage in domestic production of 18 billion U.S. dollars, representing 6 percent of the gross domestic product.

Celso Furtado, who was minister of planning during the Joao Goulart government, is another critic of linking Brazilian economic policy to the foreign account. He believes that the basic solution lies in renegotiating the foreign debt.

This recession which would result from cutting imports and the expenditures and investments in the public sector would be reflected in a drop of up to 4 percent in the gross national product and 10 percent in industrial production, as well as an increase of up to 15 percentage points in the unemployment index, according to the estimates of economists Luiz Gonzaga Belluzzo, Marcel Solimeo and Luciano Coutinho, of Sao Paulo. Therefore they anticipate limited positive results from this policy. Inflation, for example, is not likely to be below 80 percent, while domestic interest rates would remain high in 1983.

#### Doubts About Subsidies and Wages

The government has already defined the main parameters for the foreign accounts for 1983, which are to be approved at the meeting of the National Monetary Council tomorrow. The main idea is to obtain a trade surplus of between 5 and 6 billion dollars in order to reduce the deficit for current transactions to 8 billion dollars, which is the maximal value which the international financial market can finance.

However, the strategy for combating inflation next year is still awaiting decisions which the government is having difficulties in making. One of them has to do with the level of the subsidies to be granted to the economy. For the time being, according to Minister of Planning Delfim Netto, all that is certain is that exports will continue to have high priority.

Doubt exists in the area of subsidies to agriculture. While the planning minister says that it is necessary to continue to provide incentives for farm production, in order to ensure that consecutive and reassuring harvests of more than 50 million tons will be obtained, the Central Bank is again insisting on the concept of reducing the subsidies, with an increase in the loan ceilings for the rural sector, since to date it has not been possible to finance subsidies with noninflationary resources.

It is probable that, as happened last year, the viewpoint of the planning minister will in the end prevail, with approval of only, as is planned, an increase in the role played by the private banking system in rural financing. In Delfim Netto's opinion, a reduction in the subsidies to agriculture will go hand in hand with a drop in the rate of inflation, which he hopes will occur more consistently next year.

#### Inflationary Indexing

Another keen discussion within the government has to do with the further impetus to the inflationary process which the general indexing of the economy might provide. Technicians with responsibility for the direction of the economic policy insist that, while monetary correction was estimated using the projection of future inflation as a point of reference, the anti-inflationary gains will be reduced or nonexistent.

A change in the indexing system cannot be excluded, with a return to the earlier practice, whereby the calculation of monetary correction was based on



past inflation rather than a projection of future inflation. According to the defenders of this concept, if actual inflation proves higher than the estimate, compensation can be carried out later, thus guaranteeing, in any case, the purchasing power of the currency and the profitability of deposits in savings accounts and other fixed income certificates.

According to executives of the SEPLAN [Planning Secretariat] in Brasilia, if monetary correction is allowed to lag several percentage points behind inflation, it basically loses its capacity to further encourage the inflationary process, without doing undesirable harm to those implementing it. They say that the basic question involves policy, and requires an understanding of whether conditions exist to promote change, without which, they are certain, it will hardly be possible to reduce inflation to levels acceptable to society.

### Wage Policy

The wage policy may also be the focus of a government decision early in the year, despite the insistence with which the ministers in the economic sector deny this possibility. It is known, however, that there is strong pressure from the business sector, which continues to insist to the government that it is impossible to keep wage adjustments above the rate of inflation for the majority of the employees.

The Planning Secretariat is also aware that the present formula for increasing wages contributes to encouraging inflation, to the extent that wages are rising far above the productivity indices for the economy, and that something must be done so as to maintain the real value of wages while blocking the inflationary effects of the present wage legislation.

While no one in the government would dare to dispute that the problem exists, there are indications that negotiations will be attempted next year with a view to eliminating the additional 10 percent increase on the INPC for wages in the 1 to 3 minimum wage span, while on the other hand providing for full application of the INPC to all wage sectors.

If this is done, the process of transferring income via wages from the more privileged classes to the poorer ones, the main reason invoked by the government to justify the present method of increasing wages, would be interrupted. However, technicians in the economic sector feel that at a time when the battle against inflation is regarded as an absolute priority, a change in the wage policy will have to be made, even if the government must pay a political price for the change.

There are those who believe, however, that the government will not introduce substantial modifications in the strategy of economic policy as early as 1983. Concerned about the foreign crisis, they think that its basic focus will be the balance of payments and its obsession with regularizing foreign accounts, in order to maintain the flow of resources, reduce dependence on the international financial market and survive the crisis without need to knock at the door of the International Monetary Fund.

## A New Model After Retraction

Economist Paulo Rebello de Castro, editor of CONJUNTURA ECONOMICA, published by the Getulio Vargas Foundation, said in Rio that he hopes that the government will turn to "broader planning" to ensure that with regard to the 1983 recession, which he regards as "very probable," there is "first of all the lowest possible social cost," and secondly, that it "marks the beginning of a change in Brazilian economic policy."

"I hope that this recession will put Brazil in a new and more viable economic policy framework, such that the new patterns in the international economy of which the country is a part will be taken into consideration," the economist said.

He stressed that the difficulties anticipated for 1983 "are nothing more than an arithmetic projection of the present facts," and in commenting on the government plans to achieve a surplus of 6 billion U.S. dollars for the trade balance next year, he expressed the view that there are only two solutions.

"The first is a simple cut in imports, representing a greater and, I would say, less useful, sacrifice. The second, which the government is likely to announce at the next meeting of the National Monetary Council, would be an increase in exports. While arithmetically cutting imports and increasing exports come to the same, economically they do not. If exports are increased, we will be increasing domestic savings, and on the other hand guaranteeing foreign exchange and domestic jobs, which are absolutely necessary at a time when a major net increase in openings in the Brazilian industrial sector cannot be expected.

As recession inevitably results in unemployment, the two large social funds existing in the country--social security and the FGTS [Service Time Surety Fund]--will see a reduction in income from required quotas, since its beneficiaries will not have the wages from which to deduct the payments to these funds. In connection with this matter, Paulo Rebello de Castro commented: "While the wage fund declines in real terms, as a result of recession, we will have unaltered expenditures from these funds, or even increased expenditures in some cases, with declining income, since the income is linked to a percentage of the wage fund, which is dwindling."

The dimensions assumed by the two funds, social security above all, may lead to a situation so serious that Rebello de Castro does not hesitate to predict that "We will come to look back fondly on the days of late payment to contractors."

We must minimize the decline in the wage fund, which is to say we must minimize the decline in employment, and in order to do this, we need to discuss again more flexible methods of guaranteeing job stability. Now this stability cannot be guaranteed without considering the cut in the profit margin. It is impossible to keep the business sector operating with accumulated losses. It is important to have an understanding that sacrifice serves a useful purpose, which is to make job opportunities more flexible for the coming year," he stressed.

In a projection of the 1983 economic reality, this economist said that everyone will see that after 2 years of sharp reductions in the volume of imports, "We will have to restructure the imported raw materials on hand, if industry is to grow, even modestly, in the coming year. In other words, it will be necessary to presume not a cut in imports, but some increases in the volume of import-export trade, in order for us to achieve development, if only modest."

#### 'Austerity May Mean Disaster'

Professor Edmar Bacha, of the Economics Department at the PUC in Rio de Janeiro, has predicted "a brutal recession" for the country in 1983 if the intention of the government to reduce imports by 6 billion U.S. dollars is confirmed. According to his estimates, the main consequences will be "a shrinkage of about 18 billion U.S. dollars in Brazilian production and a dizzying decline in the gross national product by 1984."

Speaking in Rio, he warned that unless the government changes the direction of its economic policy, "this whole recessive process will become a kind of bottomless well, because what we face is not a recession to prepare for the rearticulation of the Brazilian economy, such as to guarantee a new period of growth. We are instead playing a card in the hope that, if we have recourse to austerity now, international economic recovery will in the future carry us along with it again," he commented.

"This attitude is 'so dangerous' that Bacha suggests that the communications media be mobilized 'so that Brazilian citizens will realize the seriousness of the economic process in which they are involved and the lack of positive proposals for adjustment on the part of the government.'" He expressed the view that the government "is pursuing a negative adjustment policy," showing him that "it is proposing a new development project to society, taking planning seriously." Rejecting the argument that the international crisis has paralyzed the country, making recovery for the Brazilian economy unworkable in the medium range, he stated:

"We have already lived through similar periods. In the World War I era, in the 1930s, up to 1945, and under the JK [Juscelino Kubitschek] government, our economy was also subject to strangulation from outside, but nonetheless we found a way: making maximal use of the domestic resources available and exploring the foreign potential of the country, we continued to grow, despite the existing recession."

#### Trade

Since it may no longer be acceptable for Brazil's growth to remain subordinate to external circumstances imposed by richer countries, the professor urged that the Brazilian economic authorities devote greater attention to South-South trade. "The Brazilian economy has the resources, dimensions and capacity to obtain the resources we are lacking through this trade, such as oil, copper and wheat, for example, without the need for this to require the expenditure of foreign exchange necessarily, provided we propose a bolder policy of openness toward Latin America."

While recognizing the difficulties resulting from the political instability in the majority of these countries, he expressed certainty that these problems are much less serious than those generated by the U.S. monetary policy. "Placing each issue on a scale, we will see that when we trade with the North, we are subject to that policy which is suddenly pursuing a course which goes against our interests. Monetarism causes a tremendous increase in international interest rates, a drop in the prices of the products we export, and it further creates difficulties on the markets in the South, to which we export."

If it is true, as he admits, that "an Argentine economic policy will inevitably affect trade between Argentina and Brazil," it will have no effect on Mexico. "However, we know that the countries in the South are not importing more Brazilian products not because they do not want to, but because they lack strong currency, which is a result of the policy pursued in the North."

#### Level of Activity

Going deeper into the analysis of the domestic economic picture--"based on the information the authorities have been providing in the past 15 days"--Professor Bacha believes that it is perfectly viable to anticipate the consequences, based on the following observations.

"If we are going to create a surplus of 6 billion U.S. dollars, by means of cuts in imports, through restrictions on the investments of state enterprises, the first requirement is to know how much we must cut investments in order to reduce imports by 6 billion dollars, and what effects this will have on the domestic economy. On the one hand, if there is a direct reduction in imports of capital goods, and indirectly a reduction in imports of intermediary goods and raw materials, to the extent that investments are reduced, the level of domestic activities will drop, and this will lead to reduced demand for imported goods."

As it will be necessary to reduce the level of domestic activities by a cruzeiro value equivalent to 3 U.S. dollars for each dollar saved, "we will then, if we want to achieve a reduction of 6 billion U.S. dollars in imports, need to reduce domestic production by something like 18 billion U.S. dollars."

Noting that this sum represents about 6 percent of the Brazilian gross domestic product, Professor Bacha says that the development of the economy beginning last year leads him to fear that "We will embark on 1984 with a gross domestic product down almost 11 percent from that in 1980, and if we realize that the population has increased by about 6 percent, and if we compare all this in terms of per capita production, we see that by the beginning of 1984 our per capita product will be 17 percent less than that in 1980. Thus it cannot be denied that this picture describes a situation which is extremely serious for the Brazilian economy."

#### 80 to 90 Percent Inflation Expected

The current decisions in the economic policy field, the national and world situations themselves and the austerity measures imposed by the government--

reduction of public expenditures and investments, apart from the cut in imports--"will lead the country to a recession in 1983 which is equal to or worse than that in 1982." Domestic interest rates will continue to be high, since they will not be affected by the decline seen on the international financial market. The gross domestic product is likely to vary between zero growth and a decline of 4 percent, while inflation may range between 80 and 90 percent in the coming year.

These are the prospects for the Brazilian economy in 1983, according to estimates made in Sao Paulo by economists Luiz Gonzaga Belluzzo, a member of the Higher Economic Council of the Industrial Federation of the State of Sao Paulo; Marcel Domingos Solimeo, of the Trade Association of the State of Sao Paulo; and Luciano Coutinho, professor of economics at the UNICAMP [Campinas State University].

According to Luiz Gonzaga Belluzzo, there will be an increase in unemployment in 1983 of about 7 percentage points--about 500,000 workers--in the processing industry, and approximately 15 percentage--about 6 million workers--in the various sectors of economic activity in overall terms. In his view, the capital goods sector will be most seriously affected.

This economist predicts a more acute recession, with a decline of about 4 percent in the gross domestic product and of about 10 percent in industrial production. He commented that a change in the wage policy, such as to disassociate the level of increases from the INPC index, could lead to a decline in real wages, with a recessive effect on the industries producing popular consumer goods and durable goods.

Belluzzo said that domestic interest rates will remain high--about 150 percent, in real terms--and he dismissed the possibility that the decline in international financial market interest rates, mainly in the United States, will affect the rates in effect in this country. "Apart from a certain relief for debt servicing, a reduction in and stabilization of foreign interest rates will lead to slow recovery in the commodities quotations throughout the year, because of the existence of stocks of raw materials and overproduction of farm products. The increase in Brazilian exports will depend on the recovery of the U.S. economy, which will not occur until the second half of 1983."

This economist further predicted that inflation will reach 90 percent by the end of next year, but he warned that "any sudden devaluation in the cruzeiro would initiate an unprecedented inflationary process, making further devaluations necessary in a matter of months."

He pointed out that it will be even more difficult to find foreign resources in 1983, and suggested "the definition of an emergency employment policy, revision of the conditions of foreign indebtedness, and the establishment of an industrial policy involving investment planning, in addition to broad tax reforms."

#### Adjustment

In the view of Marcel Domingos Solimeo, "The recession will continue in 1983, with a significant increase in unemployment." "The recovery expected in 1985

will not come about," he said. According to this economist, "The maintenance of high domestic interest rates next year in real terms will hinder economic recovery." He foresees a zero growth rate for the gross domestic product as a "result of the stagnation of industrial activity and an increase of 3 to 4 percent in farm activity," while in his view, inflation will continue to decline, "reaching something like 80 percent by the end of 1983, as a result of the austerity measures, which will have the effect of shrinking demand."

"The possible recovery of the world economy would have positive effects on the development of Brazilian imports, which represent the most viable source of obtaining foreign resources in 1983, such as to allow a lesser reduction in imports. The maintenance of foreign interest rates would lighten the debt service burden and would encourage an increase in the quotations for commodities and raw materials."

Brazil, he said, will have to carry out a process of economic adjustment and reorganization, "with effective control of state expenditures and emphasis on the investments with social priority, which generate jobs." He proposes a revision of the wage policy, with correction based solely on the INPC, an increase in productivity and tax reform, apart from calling for an increase in taxes in the short run.

#### Dramatic Situation

In the opinion of Luciano Coutinho, "The Brazilian financial situation will continue to be dramatic in 1983, as a function of the difficulties in finding foreign resources. The solution chosen by the government for obtaining a large trade balance surplus, given the present situation, would be achieved by means of a violent contraction of imports, with rather serious recessive and inflationary effects. Even if the international situation continues to be favorable, the country would then run the risk of having to renegotiate the foreign debt prior to 1983."

Coutinho also predicted unemployment in the state, capital goods and civil construction sectors, based on the austerity measures already in effect.

Within this framework, he foresees a violent increase in recession in the coming year, with a drop of 4 percent in the gross domestic product and one of 6 to 7 percent in industrial production, along with a certain stability in farm activity.

Inflation, according to his estimates, should range between 80 and 90 percent in 1983, "under pressure from above because of the monetary and foreign exchange correction and the shortage of raw materials, while being limited, on the other hand, by the aggravation of the recession."

He proposes a renegotiation of the foreign debt and adoption of a new economic policy, which would call for a certain selective growth and would reduce the suffocating interest rate level. "Control of imports, the orientation of investments into activities generating jobs and adjustment of the economy," he said, "are essential and the need for tax and financial reform dictates such measures."

## Social Consequences Feared

Celso Furtado, who was minister of planning during the Joao Goulart government, believes that the economic measures the government has announced for 1983, such as a drastic cut in imports, will greatly aggravate the recession which, in his opinion, the country has already been experiencing for 2 years. He further believes that maintenance of the present economic policy, instead of making possible a recovery in the indices of growth, a surplus in the trade balance and a reduction in inflation, as the government claims, will keep the economy in "stagnation," without resolving such crucial problems as the placement of the some 10 million individuals added to the labor market annually.

In an interview he granted in Porto Alegre, where he gave lectures and participated in discussions on Thursday and Friday, the economist from Paraiba predicted that the government decision to cut imports "drastically" will raise unemployment levels, because of its effects on investment possibilities.

Furtado stressed that the government is entirely wrong in attempting to adjust the balance of payments by taking into priority account the amounts which it will have to pay for foreign debt service, for example. He believes that, on the contrary, the government should initially see how much is available for the payment of the debt, and on that basis, force creditors to renegotiate, which would make a general reorganization of the domestic economy possible.

On the subject of inflation, Celso Furtado does not see any possibility for a significant reduction in the level, if the current economic policy is maintained. In his opinion, there are two basic reasons for the high levels seen in recent years: the inadequate method of financing subsidies, which is done through the monetary budget, and thus through the creation of payment means, and the "chaos in public investments," which instead of giving priority to popular housing, education, and transportation projects, are oriented toward large undertakings such as Tucuruí and Itaipu. These projects "mature in the long range and have no effect on production," Celso Furtado stressed, and the disorder in public investments "is such that it far exceeds the capacity of the country to mobilize resources."

The former planning minister fears that if the government orientation is maintained, Brazil will have its fifth consecutive year of zero growth in 1985. In his view, it is inconceivable that the government would not take into account "the social consequences of this policy, when 50 percent of the population is living below the absolute poverty line." In this connection, he proposes that the new congress members who will be elected on 15 November form a "national salvation commission" of a multiparty nature to discuss economic issues in depth.

5157

CSO: 3342/22

## UNEMPLOYMENT LEVEL DOWN IN SIX MAJOR CITIES

Sao Paulo O ESTADO DE SAO PAULO in Portuguese 29 Oct 82 p 29

[Text] The unemployment level showed a drop in September in the six major metropolitan areas in the country--Sao Paulo, Rio de Janeiro, Porto Alegre, Belo Horizonte, Recife and Salvador--the president of the Brazilian Institute of Geography and Statistics (IBGE), Jesse Montello, announced yesterday at a press conference in the capital of Sao Paulo. The overall rate for Sao Paulo was 5.57 percent, one of the lowest since January of 1980. This means that of the 5,084,000 individuals making up the work force in greater Sao Paulo, 283,179 are unemployed.

According to the IBGE, the overall unemployment rate for Rio (5.06 percent) is the lowest since January of 1980. That in Belo Horizonte (5.76 percent) is the lowest since April of 1980, when unemployment figures were first kept for the area. The September indices this year were also the lowest in recent months for Porto Alegre, Recife and Salvador, and Jesse Montello voiced his satisfaction with the results achieved. "We have reached the 1980 levels," he said, "when we had a gross national product of 8 percent." However, he also stressed that the economically active population increased substantially between that time and the present.

The overall rate for Sao Paulo is down .13 percent in comparison to August. In Rio de Janeiro, with an overall rate of 5.06 percent (down .53 percent in comparison to August), this means 194,395 persons unemployed out of a labor force of 3,841,800 persons for the area. In Belo Horizonte, with an overall rate of 5.76 percent (down .62 percent in comparison to August), the number of unemployed was 59,530 out of a labor force of 1,033,600 individuals for the area.

As to Porto Alegre, the overall rate reached 5.01 percent (down .54 percent in comparison to August), with 51,066 persons unemployed out of a labor force of 1,019,300. In Recife, the overall rate reported for September was 6.82 percent (down .17 percent in comparison to August), with 56,717 unemployed out of the labor force of 828,700 persons. In Salvador, the overall rate was 5.69 percent (.10 percent decline in comparison to August), with 37,685 unemployed out of the labor force of 662,300.

Montello explained that the overall unemployment rates are obtained from family data, taking into account persons over 15 years of age seeking employment for



the first time, but excluding those who are underemployed (without work cards) or those who do not say they are looking for work. Taking the average overall unemployment rate of 5.47 percent, Montello multiplied this percentage by the total labor force in the six regions studied, which was 12,469,700 persons, to obtain the total--682,377--unemployed in September.

He added that the study made by the IBGE of the industrial index for the entire country revealed that the labor supply increased by 0.59 percent between January and August for domestic industry. Montello also reported that the INPC for the period between May and October is likely to be 40.4 percent, with an estimated 3.8 percent for the month of October.

Index of Unemployment for Persons 15 Years of Age and Over  
1982

	Jan	Fev	Mar	Abr	Mai	Jun	Jul	Ago	Set
<b>Rio</b>	9,97	9,11	8,91	6,93	6,97	6,40	6,65	5,59	5,06
<b>São Paulo</b>	8,96	7,90	8,07	6,45	5,40	5,25	5,43	5,71	5,57
<b>Porto Alegre</b>	6,25	6,57	6,22	5,95	5,22	4,79	5,09	5,55	5,01
<b>Belo Horizonte</b>	9,50	8,29	9,01	7,21	6,87	6,41	6,59	6,38	5,76
<b>Recife</b>	9,46	8,81	9,08	8,29	7,99	7,45	7,93	6,99	6,82
<b>Salvador</b>	9,29	8,32	7,54	6,86	5,75	5,32	5,99	5,79	5,69

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CSO: 3342-22

## BRIEFS

CPRM FIND IN MOZAMBIQUE--Brasilia--The Mineral Resources Prospecting Company (CPRM), an enterprise affiliated with the Ministry of Mines and Energy, has discovered a large deposit of metallurgical anthracite coal in the Mocanca-Vuzi region of Mozambique. The CPRM is making other studies--geological drillings--in order to establish the potential of the deposit in terms of tonnage, since the coal layer is 26 meters thick, according to a ministry adviser. The CPRM can operate in Mozambique because that Brazilian enterprise was the winner of an international bid awarded by the government of Mozambique in the first half of this year. Out of a total of 10,000 meters of drilling planned for the region, the CPRM has completed 5,000 meters in four months. As a function of its undertaking and the interaction of the peoples of Mozambique and Brazil (facilitated by the shared language), this Brazilian enterprise has won yet another contract for drilling a further 2,000 meters in addition to the 5,000 remaining on the earlier contract. [Text] [Rio de Janeiro JORNAL DO BRAZIL in Portuguese 13 Oct 82 p 18] 5157

CSO: 3342/22

## ANIF POLL: U.S. MOST HARMFUL TO NATION

Bogota EL TIEMPO in Spanish 15 Oct 82 p 13-A

[Excerpt] In an ANIF [National Association of Financial Institutions] poll, most liberals, conservatives and leftists as a group named the United States as the country which is or could be most harmful to Colombia.

Fifty-two percent of liberals, 56 percent of conservatives and 88 percent of leftists believe that the United States is the country whose interests can most affect Colombia.

According to data obtained by the same ANIF poll called "The Presidential Election of 1982 in Bogota: Dynamics of Public Opinion," the majority opposed the possibility that the Colombian Government might authorize the installation of an American base in the Island of San Andres.

Seventy-seven percent of liberals and conservatives and 83 percent of leftists said they opposed the establishment of American military bases in the Archipelago of San Andres and Providencia.

As to the country whose interests could be most harmful to Colombia, Cuba came in second place, Venezuela third, the USSR fourth and Nicaragua fifth.

"Within this parallelism," the statement says, "liberals mentioned the United States with slightly more frequency than conservatives as the source of harm. The leftists attributed greater danger to the Soviet Union than did the traditional parties."

In this sense, the Left considered that Venezuelan and Cuban interests could cause the country less harm and Nicaraguan interests none at all. For the Left, the most dangerous countries are the United States, the Soviet Union and Cuba in that order.

9341

CSO: 3348/71

## FOREIGN MINISTER SEES NATION AS 'DEFENSELESS'

Bogota EL TIEMPO in Spanish 25 Oct 82 pp 13-A

[Text] Foreign Minister Rodrigo Lloreda Caicedo came out in favor of Colombia's entering the arms race because the country is defenseless and maintained that "modern diplomacy is carried out not only with arguments, but also with a military apparatus that backs up minimally those decisions."

He said that the boundary dispute has been close to an agreement on several occasions but that Venezuela has frustrated any accord.

Lloreda Caicedo talked in the Todelar Network program "Technicians and Politicians," where he announced that it is possible to establish diplomatic relations with Cuba in the long run.

The minister said: "Colombia will formalize before year's end its entrance to the group of Nonaligned Nations. I have already contacted the secretary of the movement in New York, Dr Castaneda, of Cuba, and we established all the procedures and steps that must be taken care of beforehand."

The importance of joining the Nonaligned Group is obvious: "It is enough to point to the election of Nicaragua as a member of the United Nations Security Council thanks to the support it received from the movement, which is made up of some 100 countries. It is an extremely important outburst of political support. Had the Dominican Republic been a member of the movement, which it is not, perhaps it would have had more votes than it obtained."

He added that it is obvious that relations with Cuba have improved at the personal and diplomatic level, but it is also true that this fact can in no way be construed as a short-term possibility for the reestablishment of diplomatic relations. "After all, the reasons for the suspension have not as yet been fully overcome."

He warned that it is better not to hurry and said that there are indications favorable to the reestablishment of relations, "even though the ideal would be to be able to reach an agreement in which Cuba would promise to respect our constituted government in the same way that we respect theirs. This would be the basis for reestablishing relations."

## The Arms Race

The arms race is a global problem, affecting not only Latin America but the whole world. Since the Malvinas conflict, a new psychological climate has evolved: war is now believed possible. For this reason, many countries are thinking about modernizing their weapons and others are equipping their armies with greater intensity.

"Colombia has not remained foreign to circumstances. Everybody has suddenly realized that war does come and an armed conflict is a possibility.

"Our country is aware of this. So much so, that when high military commanders talk of the need to modernize the Army and the Air Force, today's reaction is not the same it would have been some years ago. However, the country must try not to sharpen its conflicts in order to avoid being forced into the arms race. The limited resources available for this purpose compel us to make well-thought-out investments. It does not know how much should be invested, but there is a need to invest. A country which has 13 borders, as Colombia does, never knows when problems may arise," the minister said.

He added: "Our armed forces are traditionally well organized and count with good human elements but have no equipment. Colombia is really defenseless. We must improve our military apparatus without ignoring the importance of steps taken in the bilateral field because these facilitate our having real backing rather than simply juridical backing. Arguments are not the only tools of modern diplomacy; we also need an influential factor to back us up, such as a military apparatus that responds minimally to those decisions."

## Dispute

About the dispute with Venezuela, Lloreda said:

"The problem with Venezuela has to be kept within the large criteria of national unity. For this reason I have chosen not to become involved in disputes or give it the character of an internal political problem, which is what has made the matter anarchistic in Venezuela. If we do the same, the dispute becomes more complicated than necessary.

"I believe that for a government to make a decision on the dispute, it must be based on much seriousness and a very conscientious analysis of all the alternatives. I believe that both countries have been close to agreement on several occasions, but if the truth be known, the lack of understanding existing in Venezuela, in its public opinion, has blocked any negotiation. I think there must be a little more reasoning on the part of the Venezuelan public opinion, because the way we are going Colombian public opinion is no longer quiet, it is starting to become very aware of the problem and assume attitudes that are in no way traditional."

## Reorganization of Ministry

"In the Ministry of Foreign Affairs, I have little by little been integrating a team to carry out a coherent foreign policy and modernize foreign service. It is a process free from political upheavals. We have precarious elements

and faulty technical advice to the minister. The process to set this straight is not simply to change for change's sake, but implies a gradual building of a more efficient administration not with the traditional political criteria, but with the desire to involve competent people through training of our negotiators and representatives. Our foreign service smacks of holiday. "

Finally he said that Colombia is looking for an agreement with Venezuela to hold the summit of American presidents in Cartagena, since Venezuela is planning another conference on the occasion of the bicentennial of Simon Bolivar's birth.

9341

CSO: 3348/71

## VOLIO MAKES STATEMENT IN GUATEMALA

PA100131 Guatemala City Radio-Television Guatemala in Spanish 0400 GMT 9 Nov 82

[Text] Costa Rican Foreign Minister Fernando Volio Jimenez arrived in our country this morning on a 3-day official visit.

Guatemalan Foreign Minister Eduardo Castillo Arriola; Deputy Foreign Minister Edgar Sarceno; Carlos Ugalde, Costa Rican ambassador to Guatemala; Carlos Moreira Lopez, Guatemalan ambassador to Costa Rica; Foreign Ministry officials headed by Protocol Chief (Antonio Chocano Batres); and members of the Costa Rican diplomatic mission in Guatemala went to the airport to greet Volio Jimenez.

Volio Jimenez arrived with his wife, Maria Luisa de Volio. Graciela de Castillo Arriola, our foreign minister's wife, gave a white flower to Mrs Volio.

In an exclusive statement to this cast, the Costa Rican foreign minister explained the reasons for this visit to our country:

[Begin Volio Jimenez recording] I've come here to the largest Central American country to strengthen the ties that have fortunately united us. I have also come here to bring a friendly message to the Guatemalan people and government. We want to be very close to the Guatemalans in the promotion of Central America's best interests. I am also here to get a close look at the interesting process that is underway at the present time. I have learned about it thanks to the friendship that I have with this great foreign minister, Castillo Arriola, who is well known in Latin America for his brilliant defense of Guatemala's best interests. However, it was necessary to be here, to get a closer look, so that Costa Rica can contribute to bringing relations close and promoting interests that reaffirm the unity of all Central Americans, as well as liberty, democracy and the common good. [end recording]

The Costa Rican foreign minister reported that he will explain to his counterpart the reasons and goals of the Forum for Peace and Democracy, which was founded on 4 October in San Jose during a meeting of foreign ministers of Central America, Panama and the Caribbean. Guatemala and Nicaragua were not invited to this meeting.

Asked why our country was left out, the Costa Rican foreign minister explained:

[Begin Volio Jimenez recording] To begin the process we wanted to have a consensus of goals and then expand the circle to those who shared these ideas. Therefore, we chose an objective reason or criteria: we decided to call governments which had held elections. With this we didn't intend to leave anybody out or criticize anyone. In Costa Rica we are very respectful of the people's self-determination. Each nation chooses the government that results from its own circumstances and from the will of its citizens.

In Costa Rica we don't give sermons to anybody. We don't want to be imitated, because no system can be imitated. Each country has the government that results from its culture, its way of life and its history. We respect all regimes, even if they are not like ours. What we seek is to reach comprehensive agreements that allow us to promote, through various ways, the same lofty interests: to increase our people's standard of living and to live in peace and harmony, learning from the experiences of all the countries. We have a lot to learn from the Guatemalans, for example. So the Costa Ricans through these visits, learn from the best of each country. Through me, the Costa Ricans are bringing a message of good will and friendship. I am sure that after these talks and other talks--we want to see Castillo Arriola in San Jose soon--we will have a clearer view of how to promote common interests. [End recording]

In the past few months, relations between Nicaragua and Costa Rica have deteriorated greatly after the honeymoon during the Carazo Odio administration. The Costa Rican foreign minister analyzed this situation in the following manner:

[Begin Volio Jimenez recording] This situation results from the proximity of two diametrically opposed systems of government and the insistence of the Sandinist government on refusing to accept that Costa Rica is a peaceful country that wants to be allowed to live in peace and have its rights respected. These are rights like free and [word indistinct] navigation on the San Juan River, which is on the border. These rights were granted by the Canas-Jerez Treaty of 1856 and reaffirmed by the Cleveland Decision of 1888. We want respect for our sovereignty. We don't want incursions by the Sandinist Army into our territory. We don't want the people living in northern Costa Rica to be disturbed. We've said that we want normal relations with Nicaragua. We want peaceful relations with Nicaragua. President Monge has reiterated this again and again. We will remain on that line. However, we are a proud country. Although we are peaceful we don't allow ourselves to be abused. We hope that Managua understands this. We are a country that wants to live in peace with our neighbors, but we don't allow [words indistinct] to our right to live as a sovereign country and enjoy our rights as such. [End recording]

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## MONGE SAYS STRIKES, TERRORISM FINANCED ABROAD

PA271947 San Jose LA NACION in Spanish 19 Nov 82 p 6A

[Excerpts] President Luis Alberto Monge Alvarez asserted yesterday that the strikes and terrorism that have taken place in the last few months are financed from abroad.

The head of state reiterated yesterday that Costa Rica is the target of an aggression; "We have become a primary target in the international ideological struggle."

Monge made this statement during the 10th anniversary celebration of the Development Corporation (CODESA), which took place in the Stabapari factory in Payas.

Monge added that we are facing an increase in political strikes that are harming production and the country itself, and which are aimed at destabilizing the democratic system.

He added that the strikes and terrorism are aimed at discouraging investment, and, among other things, at obstructing the effort that the country is making to rebuild the confidence of international financial circles. Monge said that he is quite aware that all of the seditious movements over the last months were financed from abroad and that this is usually done in a clandestine manner. "I am totally aware that this has been going on since the last doctors' strike," he stressed.

The president said that the communists and the terrorists have been warned that "They might bother us a lot for some time, but in the end the Costa Rican people will overcome."

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## BRIEFS

ARRESTS, TORTURE CHARGES DISPUTED--Relations between the Ministry of Public Security [as heard] and the Judicial Investigation Organization, OIJ, are totally broken as a result of incidents that have occurred in recent weeks. The weekly magazine LIBERTAD reported that OIJ officials tortured two union leaders, and it included a medical statement to this effect. OIJ Deputy Director Rodrigo Araya Pacheco investigated the case and declared that the National Security Agency, ASN, was involved in the mistreatment. But ASN wouldn't help clarify the matter. Meanwhile, some individuals were arrested two nights ago, and their relatives went to the OIJ to find out about them. However, ASN--the institution that arrested them--wouldn't give any details on the case. These and other incidents have caused a serious division between OIJ and the ASN. [Text] [PA261600 San Jose Radio Reloj in Spanish 1200 GMT 26 Nov 82]

EXCHANGE AGREEMENT WITH USSR--San Jose, 24 Nov (ACAN-EFE)--The Soviet Commercial Mission in San Jose has announced that the USSR will exchange Soviet agricultural equipment for Costa Rican coffee. The Soviet announcement said that this will enable Costa Rica to sell its coffee surplus, and at the same time Costa Rica will be able to appreciate the quality of the Soviet auto industry without losing foreign exchange. [PA282230 Panama City ACAN in Spanish 2030 GMT 24 Nov 82]

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FOREIGN MINISTER MALMIERCA ADDRESSES UNGA

Havana GRANMA in Spanish 9 Oct 82 p 7

[Speech given by Isidoro Malmierca Peoli, Cuban foreign minister, at the UN General Assembly on 8 October 1982]

[Text] Comrade President:

Messrs., Delegates:

On 8 October, exactly 15 years ago, revolutionaries and freedom fighters all over the world learned with both indignation and grief that Commander Ernesto Che Guevara, the heroic guerrilla, had been murdered in Bolivia.

Today, from this rostrum, where he spoke as a representative of the Cuban revolution, we should pay him the only tribute he would accept, that of following faithfully his example and struggling to achieve true independence for our peoples and to repulse any attempt to rob us of the rights that we have already won.

May he continue fighting wherever the children of our oppressed peoples are struggling for freedom and keep working wherever creative efforts are paving the way to development.

Comrade President:

The Arab peoples have waged a long struggle to win recognition of their right to govern in their own land.

As early as 1881 Jose Marti said: "The brilliant Arabs should at all costs return to Arabia, as though avenging their centuries old oriental drift." He was then referring to the rebellions against European colonial domination and movingly praising the spirit that the Arab peoples brought to their fight.

Few struggles, however, have attained such heroic heights and mobilized all the people--young and old, women and children--as the one that we have just witnessed in the long days of the Palestinian people's struggle against the genocidal Zionist-imperialist invasion of Lebanon.

At the meeting of its Coordinating Bureau held in Nicosia, Cyprus, during the unforgettable moments of the defense of Beirut, the Nonaligned Movement, that powerful, independent force grouping nearly 100 states, declared that it was necessary to recognize the Palestinian people's right to establish their own state and return to their homeland. The recent summit meeting of the Arab League expressed itself in much the same terms, and it also insisted on the necessity of recognizing the Palestine Liberation Organization (PLO) as the sole legitimate representative of the Palestinian people.

The nonaligned countries call for the immediate holding of an international conference on Palestine, with the participation of the PLO and all states interested in finding a real and permanent solution to the situation in the Middle East where the nub, the first step, must be recognition of the inalienable rights of the Palestinian people.

Comrade President:

By entering West Beirut, in a gesture of utter disregard for world public opinion and for Israel's pledges to respect the peace agreements, Israeli troops created the conditions for Haddad's murderous gangs to take cowardly advantage of the honorable withdrawal from Beirut of the heroic Palestinian leaders and fighters--a withdrawal designed precisely for the purpose of avoiding the indiscriminate slaughter of civilians--and fall like bloodthirsty savages on the defenseless Palestinian camps. In doing so they relied on the cooperation of Israel, which had responsibility and which set the scene for them and facilitated the carrying out of the slaughter. Hitler would have had much to learn from the madness of Messrs. Begin and Sharon.

The Zionist genocide in Beirut is the direct result of the U.S. Government's policy of force, violence and oppression. Nobody has failed to notice the direct connection and manifest complicity between the crimes committed in Lebanon and the continual U.S. vetoes in the Security Council, which have convinced the criminal Tel Aviv authorities that they are immune to any political or moral limitations that the United Nations should have placed upon them a long time ago.

In his denunciation of this situation to the United Nations, contained in a letter addressed to the secretary general, Mr Javier Perez de Cuellar, Comrade Fidel Castro, president of the Council of State of the Republic of Cuba and chairman of the Nonaligned Movement, asked: "How long can mankind and all decent and sensible governments endure this brutal and merciless genocide? What new horrors will be necessary before the aggressors are stopped and their bloody hands stayed? Is not this proof that Israel's rulers are preparing to continue, in defiance of all, to eliminate the Palestinian people, annihilate the patriotic Lebanese resistance and extend their aggression to other Arab states?"

In the same letter, Comrade Fidel Castro said: "In the name of the Nonaligned Countries' Movement, whose indignation I voice; in the name of the Cuban people, whose feelings of grief and staunch solidarity I represent, I join in the universal demand that the murderers and those who set the tragic scene for them and facilitated this abominable action be punished. It is indispensable

that there be at least a political and moral exemplary sanction of all those guilty of the Beirut crime. For crimes against humanity such as this, for a murderous and racist philosophy such as that which motivated these deeds, the criminals at Nuremberg were seated in the dock and sent to the gallows.

Mr President, the time has come for the United Nations to act, and only exemplary, prompt and energetic punishment of those who committed the genocide and their accomplices will save the honor and respectability of our institution before the coming generations and the inexorable judgment of history.

The Palestinian leaders and fighters have withdrawn honorably from Beirut, but only to continue the fight for the Palestinian people's inalienable rights until victory is won.

Comrade President:

We want to say how pleased we are that you, Comrade Imre Hollai, an outstanding son of the heroic Hungarian people, are presiding over this 37th session of the UN General Assembly.

We also want to express our appreciation for the exemplary work done by the former president of the General Assembly, our friend Ismat Kittani.

We greet the secretary general, the first Latin American to occupy such a high post of responsibility, Mr Javier Perez de Cuellar, for his tenacious efforts aimed at strengthening and reinforcing our organization.

We are living in a world characterized by a sharpening of tensions in international relations, due to the acts of provocation and the policies of arms build up and nuclear blackmail advocated by North American imperialism.

The danger of a nuclear war that would wipe out all of the work of mankind grows day by day and hangs like a terrible cloud over man's right to live in peace.

All attempts to hide the real consequences of a nuclear conflict from the peoples and make them believe that such a conflict could be limited to a specific geographic area or instill in them the idea that it is feasible to start such a war with the possibility that some power may emerge victorious, is exceedingly dangerous and incompatible with the vital interests of all mankind.

Therefore, it is necessary to continue mobilizing public awareness of the dangers posed by nuclear war and weapons of mass destruction.

The arms race has continued its upward spiral, and imperialism keeps on trying to impose policies from positions of strength. In spite of the fact that negotiations have started in Geneva on strategic weapons, on nuclear weapons in Europe and on the reduction of weapons and military personnel in central Europe, the United States shows no willingness to negotiate and tries to hide its militaristic plans from world public opinion and impose them upon its Western European allies.

The UN General Assembly's second special session on disarmament, held midway through this year, was an example of the lack of political will of a group of states to negotiate seriously and constructively to find solutions for the problems of disarmament.

The unbridled arms race that some countries are practicing--a race which includes attempts to install 572 medium-range missiles in Europe, the production of neutron bombs and the establishment of interventionist rapid deployment forces--constitutes a serious threat to international peace and security and to mankind's very survival.

The arms build-up policy is closely linked to the imperialists' plans to impose their dictates in various parts of the world. Thus, on the one hand, imperialism is obstructing the negotiations on disarmament and, on the other, is encouraging and providing political and military support for the reactionary forces all over the world.

Besides Israel's and the United States' concerted aggression against Lebanon, other trouble spots are present in the explosive Middle East.

Unfortunately, the war between the peoples of Iran and Iraq still continues.

As chairman of the Nonaligned Movement, Cuba has made tremendous efforts, together with other countries, to help find a peaceful, just and honorable solution to the conflict.

We take this opportunity of addressing this important forum to reiterate our hopes and renew our offer of services to help bring the war to an end for the benefit of both peoples, of other peoples in the region and to prevent the spread and worsening of the conflict.

This is also a good occasion for expressing a most energetic protest against the direct and indirect aggressions which U.S. imperialism has perpetrated against the PDRY, the Socialist People's Libyan Arab Jamahiriya and other peoples in the north of Africa engaged in peacefully building their destinies.

In Namibia, the United States is ignoring Security Council Resolution 435 as well as the UN decision to proclaim 1982 as "International Year of Mobilization for Sanctions Against South Africa," and is not using the means at its disposal to pressure South Africa into accepting a negotiated and law-abiding solution based on the relevant resolutions of the Security Council and the General Assembly. In fact, Washington is playing the game of Pretoria which seeks to rob the Namibian people of their victory and true independence.

The racist regime of South Africa and its U.S. allies are insisting on linking Namibia's independence to the presence of the Cuban forces in Angola as an essential prerequisite for arriving at a negotiated solution.

But they will not be able to hide the truth of the fact that Angola's independence, territorial integrity and sovereignty have made and are making an important contribution to Namibia's independence. The Cuban internationalist

fighters went to Angola to help defend Angola's independence and prevent the expansion of the apartheid regime beyond the borders of Namibia.

And for no other reason.

If the Yankee imperialists and their partners of the apartheid regime have been forced to talk about the independence of Namibia, it has been because of the armed struggle of the heroic sons of the Namibian people, because of the actions headed by the South West Africa People's Organization (SWAPO) and because they have failed in their attempts to prevent the independence of Angola.

In 1976 the governments of Angola and Cuba decided to begin withdrawing the Cuban military forces that were in Angola and the number of Cuban personnel was reduced by more than one third. New threats against Angola interrupted this process and even made necessary the return of new forces to replace those which had already left the noble Angolan soil.

Other aggressions by South Africa frustrated similar attempts on other occasions.

Today, when the racist troops of the Pretoria regime have been occupying a part of the territory of southern Angola for more than a year and are threatening to invade other provinces, the U.S. Government seeks to present a demand that the Cuban forces should be withdrawn from Angola as a condition, a prerequisite, for the withdrawal of South African troops from Namibia, as something that would contribute to Namibia's independence.

That is why the Front Line States, at their recent meeting in Lusaka, resolved categorically to reject any attempt to link the Cuban presence in Angola to the process of decolonization in Namibia, reaffirming in their final declaration that that was a matter that concerned only the governments of Angola and Cuba.

Cuba and Angola stated in February this year that Cuban military cooperation with Angola constituted an absolutely sovereign and legitimate act by the two countries and as a result was completely unrelated to the problem of Namibia. They also pointed out that if the selfless struggle waged by SWAPO, the sole legitimate representative of the Namibian people, and the demands of the international community succeeded in bringing about a real solution to the problem of Namibia, based on strict compliance with UN Security Council resolution 435 (1978), and it resulted in truly independent rule and to the total withdrawal of the South African occupation troops to the other side of the Orange River, which would considerably reduce the danger of aggression against Angola, then the Angolan and Cuban governments would consider the renewal of the implementation of the program for the gradual withdrawal of the Cuban force within a period of time determined by the two governments.

We can consequently reaffirm here, in the UN General Assembly, that when the governments of Angola and Cuba so determine, the withdrawal of the Cuban forces stationed on Angolan territory will be effected by virtue of the sovereign decision of the government of the People's Republic of Angola once all or any possibility of an attack by an armed invading force has disappeared.

In this regard, the Government of Cuba reiterates that it will unhesitatingly respect any decision that the sovereign Government of Angola makes concerning the withdrawal of those forces.

In view of the evident closing of options for negotiation, SWAPO, the sole legitimate representative of the Namibian people, has the right to continue the armed struggle to achieve Namibia's independence, with full respect for its territorial integrity, including Walvis Bay, and without the presence of South African troops on its soil.

The struggle of the African peoples will inexorably bring to an end the vestiges of colonialism and racism on that continent. The Pretoria regime knows that historically it is doomed. The growing rebelliousness of the black South African masses, led by the African National Congress (ANC) shows that the exploited majority is inexorably advancing towards the liquidation of the power of the exploiting white minority. We endorse the decisions to support the ANC adopted by the heads of state of the Front Line States at their Maputo meeting in March this year.

Comrade President:

In Latin America, after nearly a century of imperialist rule, the situation could not be more desperate for tens of millions of human beings subjected to the most dreadful poverty.

Compulsory witnesses of the profits of the local oligarchies and of the transnationals, the peoples of Latin America will be carrying on their shoulders a foreign debt which, by the end of this year, will reach the astronomical figure of \$300 billion, not counting the \$30 billion they will have to pay annually in interest.

The indices that measure the living standards of the popular sectors in the vast majority of the countries in our region are falling alarmingly without any restraint.

It is precisely this state of permanent inequality that is the main cause of the social revolt that is shaking Central America today.

Blinded by stupidity and lack of realism, Mr Reagan's Administration has rejected dialogue and a negotiated political solution in this explosive area and is preparing the conditions for an armed intervention that would prevent a revolutionary triumph in El Salvador and drown the Nicaraguan revolution in blood. Such is the spirit of the Symms Amendment, passed recently by the U.S. Senate, preparing public opinion for the President of that country to use "all means," including the use of troops to oppose an alleged Cuban threat on the continent.

The U.S. Government is engaged in using the Honduran armed forces as a spearhead against Nicaragua and the Salvadoran patriots, with the aim of "legalizing" a probable direct intervention by U.S. forces.



The entry of Honduran army troops into El Salvador and of former Somoza supporters into Nicaragua from Honduran camps unquestionably means definitive steps on the dangerous path of spreading of armed conflict throughout the Central American region.

Thus far the Reagan Government has not contributed to the moves directed to a political solution to the tensions in the region. A few days ago, Presidents Lopez Portillo of Mexico and Herrera Campins of Venezuela, made new proposals which Cuba hopes will produce positive results.

If the United States intervenes militarily in El Salvador or Nicaragua it would lead to the appearance of a new Vietnam in Central America, because the peoples of Farabundo Marti and Augusto Cesar Sandino will be able to defend their national independence and their right to be free until they defeat their enemies.

President Fidel Castro pointed out in the letter he sent to President Jose Lopez Portillo of Mexico in February this year, that:

"If the U.S. Government--the source of all the problems which affect Latin America and the Caribbean today--pledges not to attack its neighbors, if it ceases its constant threats, if it stops using its weapons and finances to back genocidal regimes and if it puts an end to its subversive activities, all these being acts which have absolutely no legitimacy, Cuba is willing to cooperate in the noble efforts you outlined in Managua to bring about the atmosphere of peace, mutual respect and necessary change in the region, to which we all aspire."

Comrade President:

Cuba today reiterates its full support for Argentine sovereignty over the Malvinas Islands. Concrete, stubborn and hard facts have convincingly shown who is who in our continent.

When forced to show its true colors the United States, the self-appointed arch-defender of Latin America and dedicated architect of the Rio Treaty and of the myth of hemispheric unity against dark extra-continental forces, dropped its so-called "Pan-American" vocation and shamelessly joined forces with the English power to fall, as Marti would say, "with so much greater force" on our American lands.

At the moment of truth, the institutions built on hypocrisy sank in the Atlantic without the dignity of the crew members of the General Belgrano.

Today, a new awakening of Latin American awareness is the order of the day and a deepening of anti-imperialist feeling is spreading through the peoples of our America, the peoples are learning daily from history in the making, from the blows they receive and from the experience they acquire; and no propaganda, however sophisticated or subtle, can change or twist the historical positions taken on the facts relating to the Malvinas.

Cuba also reiterates the unswerving support for the legitimate struggle that the fraternal Puerto Rican people are waging to achieve full independence and

sovereignty. Nothing can keep the peoples from traveling the destined path of their history, and like it or not, one day the free Latin American people of Puerto Rico will themselves sing the beloved anthem of their homeland and they themselves will raise their flag with the lone star, free of hypocritical guardianship and master of their destiny.

There still remain on our continent tyrannies that every day spill blood on the road that will lead these peoples to the freedom to which they are entitled and for which they are waging an exemplary fight.

We reiterate our firm solidarity with heroic Grenada which, with unparalleled efforts, is laying the foundations for a new society, in exemplary resistance against the imperialists' attempts to destabilize its economy, subvert domestic order and frustrate the revolutionary process rooted in that Caribbean island.

Cuba supports the aspirations and desires of the Panamanian Government and people in their struggle for implementation of the Canal agreements.

We support the right of Bolivia in its historical and just claim to recover its outlet to the sea.

Cuba's position is well known on the subject of negotiated settlements of disputes. We hope that in the spirit of the necessary strengthening of the relations among the peoples of our continent, the differences over the border limits between Guyana and Venezuela will be settled peacefully, by means of mutually accepted formulas.

Cuba supports the independence, territorial integrity and nonalignment of Belize.

Comrade President:

We must also struggle to guarantee peace and stability in southeast Asia. The sixth conference of Indochinese foreign ministers was held in July this year; it announced that a summit meeting of those three countries would be held in December and that the withdrawal of a number of Vietnamese troops from the territory of the People's Republic of Kampuchea had been initiated in late July. This shows the three countries' good will in trying to ease the tension in the region through political means.

A climate of understanding, mutual respect and security must prevail in southwest Asia, and the efforts to begin a constructive dialogue between the parties in conflict should continue.

Our delegation reiterates its support for the DPRK's legitimate aspiration to bring about the peaceful reunification of its homeland--for which it is absolutely necessary that interference in its internal affairs should cease and that the U.S. forces of intervention withdraw from the southern part of the Korean peninsula.

We support the Sahraoui Arab Democratic Republic in its legitimate rights to live in peace and take its rightful place among independent states.

We support the aspirations of the Comoros to regain their sovereignty over Mayotte, the restitution of Madagascar's rights over the Malagasy Islands of Glorieuses, Juan de Nova, Europa and Bassas de India, and the just claim of Mauritius to recover Diego Garcia island.

The United States continues to increase its presence in the Indian Ocean and to enlarge its military installations in the area, as is the case with the Diego Garcia base, and to block the holding of a conference for making the Indian Ocean a zone of peace. This policy is detrimental to security in the region and exacerbates tensions by constituting a threat to the governments that are striving to defend their national interests.

We support the Cypriot people's sustained efforts to preserve its independence, sovereignty and territorial integrity in a united and nonaligned republic.

Comrade President:

The efforts and actions that various agencies and the international community are carrying out with regard to the peoples legitimate demand for a stable, lasting peace cannot be consolidated if we do not devote ourselves seriously and frankly to the constitution and practice of a new system of international relations whose main aspect is the implementation of a fair and equitable new international economic order that does away with the abysmal differences between the poor and the rich countries.

This is not a question of alms or privileges, we demand the help of the developed countries so that, by combining our efforts, we may eliminate the differences that separate us.

The insistence on dealing from positions of strength, from positions of military superiority, is leading the present Republican Administration in the United States to plan increases in its military budget for 1983 that come to the astronomical sum of more than \$260 billion. By 1986 military spending will exceed \$372 billion, or 35.2 percent of the total U.S. budget.

This harmful trend of the U.S. Government towards increasing its military spending at an explosive rate will force other states to increase their budgets for the defense of their territories.

The world is sitting on a powder keg, without any guarantees of security, and the danger increases when the means for exploding it are in irresponsible hands, as unscrupulous as those that led the world to the conflagration of the 1940's. Therefore the struggle for peace is no mere slogan of enlightened forums or Sunday clubs; but rather a pressing necessity for the survival of all mankind.

I mean by that a peace that is equal for all, in whatever part of the globe they may be. We are constantly striving for those aims, and guided by those criteria. Cuba has made the struggle for peace a fundamental part of its Constitution, and the struggle to preserve peace, to contribute to easing the hotbeds of tension and to prevent the worsening of the international situation is one of the main elements of our international action.

The preservation of peace and the struggle for development are component elements of a single ideal, for what peace can there be without development? What peace can there be when stomachs are not quiet and there are no pillows to lessen the weariness of despair? What peace can there be when children are hungry, and there is no light in their eyes and no future before them?

The nonaligned countries' movement and all other underdeveloped countries have constantly urged that the preservation of peace and the pursuit of development should be aims to be sought simultaneously. We recall that the 1979 ministerial meeting of the Group of 77 in Arusha, Tanzania, stated its conviction that... "real peace was not merely the absence of war, but should also establish the conditions for political freedom, sustained and accelerated development for the developing countries and the promotion of the methodical development of the world."

Today the situation is much more serious than it was then. Imperialism's aggressive, expansionist and exploitative posture has worsened. The recent events in Lebanon, the conflict in the south Atlantic and continual threats of aggression and armed intervention in the Caribbean have been dangerously added to the use of economic pressures as a weapon of political coercion against the underdeveloped countries that aspire to an independent, honorable life and seek the path of development.

At the same time, we should note with alarm that never before has the situation of the so-called "Third World" countries been so desperate as it is today, when inflation, monetary instability, blatant protectionism on the part of the industrialized countries, unparalleled indebtedness and the systematic lowering of the prices the Third World countries get for their primary products are not only endangering their real prospects for advancing towards development within a more or less acceptable time span but posing an immediate threat to the lives of millions of people and the very future of dozens of nations.

The United States is maintaining an attitude of clear opposition to the launching of the global negotiations, which are an important instrument for enabling the international community to face in an appropriate manner the serious problems of the world economy. Cuba supports the efforts exerted by the Group of 77 to obtain the launching of the global negotiations, which would spur development.

Everyone knows that Cuba has always held the firm opinion that there can be no development without peace and no peace without development. Comrade Fidel Castro has reiterated that on several occasions, including here in this hall during the 34th session of the General Assembly.

Therefore, we call on this General Assembly to devote itself to sustained hard work that will contribute to an ever greater extent to making the United Nations a real participant in the process of building the future of the peoples, rather than a mere spectator, watching from the sidelines.

Comrade President:

Messrs. Delegates:

Cuba has presided over the Nonaligned Movement during three years filled with complexities, tensions and conflicts in international relations.

In the midst of the stubborn struggle waged by imperialism and international reactionary forces to paralyze the action of the international agencies and to prevent the Third World countries from concerting their plans and positions, the Nonaligned Movement has emerged from those trials as an even more united, more independent and stronger force.

Ever since the Sixth Summit Conference, held in Havana in 1979, our Movement has been engaged in active efforts in the most diverse spheres, developing various initiatives of special significance; noteworthy among them are its efforts to mediate in disputes between member countries.

During those three years, the Movement consolidated a broad program of co-operation, extending the scope of cooperation and exchanges of views among our countries.

Many meetings were held in the Movement's various branches and spheres of action. Noteworthy among its activities were the extraordinary meetings of its Coordinating Bureau at the ministerial level on Namibia, held in Algiers; on Palestine, held in Kuwait and on the situation in Lebanon, held recently in Cyprus; as well as the New Delhi Ministerial Conference held in February 1981; the Ministerial Meeting of the Coordinating Bureau held this year in Havana; and the meetings of ministers and heads of delegation of the nonaligned countries attending the UN General Assembly sessions for the purpose of coordinating actions and setting priorities among those countries.

In spite of the obvious efforts to divide the Movement and to boycott the work of its organs--especially its Coordinating Bureau--and in spite of the direct pressure brought to bear on many of its members, the Nonaligned Movement has given proof of its cohesion, maturity and strength.

The tireless struggle for peace, disarmament, an end to the arms race, a new international economic order, respect for the principle of noninterference in the internal affairs of other states, the struggle for renunciation of the use of force in international relations and solidarity with national liberation movements have been important battles waged daily by the Nonaligned Movement.

History, as always, has made sure that deceit has been unveiled.

Those who declared that in Cuba in 1979 the Movement would be split are brought face to face with today's reality--that our Movement has increased its dynamism, preserved its original principles and its unity and extended its action, its strength and its influence in the international arena.

Within the framework offered by the present General Assembly session we have advanced our preparations for the seventh summit conference of the Movement, which will be held at New Delhi in March of next year.

Comrade Fidel Castro, chairman of the Movement, has had to make special efforts to overcome the obstacles that arose concerning the holding of the seventh summit conference efforts that brought out the Movement's capacities, cohesion and unity and the outstanding qualities and wisdom of the heads of state or government of our member countries.

The present international situation presents enormous risks for mankind's survival.

We must tackle that situation with determination and firmness, with the same determination and firmness with which the heroic Palestinians defended Beirut, the same determination and firmness with which the Vietnamese people defeated imperialist aggression and the same determination and firmness with which the courageous Sahraoui fighters are waging their struggle.

The imperialists must abandon their policy of confrontation, threats and aggression. They must know that they will not succeed in intimidating the peoples, which have learned now that firmness is the position of principle to hold in the face of the imperialists.

On 26 July 1982 President Fidel Castro stated that: "We are not in favor of wars, we are in favor of peace, in favor of solutions. We are well aware of the consequences a war would have for the world, and the dangers really exist.

"We are in favor of solutions, and we have said this repeatedly concerning the various hotbeds of tension: solutions for the war between Iran and Iraq; solutions in the Middle East; solutions in Central America, solutions in Angola and in South Africa. Therefore, our attitude is not that of promoting conflicts. However, we are not going to step back even half an inch before the imperialist threats and aggressions--not even half an inch."

Thank you.

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## HONDURAS, EL SALVADOR SEEN USED BY U.S. AGAINST NICARAGUA

## Clashes With Honduras

Havana PRISMA LATINOAMERICANO in Spanish Sep 82 pp 3-5

[Commentary by Francisco Urizarri]

[Text] The second half of 1982 brought with it confirmation of the role of aggressor entrusted to the Honduran Government and Army by the administration of Ronald Reagan.

While publicly there was a show of an apparent liberal trend after almost 18 years of military regimes, behind the scenes in Honduras a regional plan was hatched which was initially drawn up by "hawks" in the American State Department and then accommodated to the interests of the so-called new right, which came to power in Washington in January, 1981.

The original plan of containment, which implied a pseudo-reformism, gave Honduras a preponderant role as a retaining wall for the revolutionary ideas that were blowing in from Nicaragua.

The overwhelming poverty in Central America and the repression unleashed by the local governing classes, especially in the countries north of the subregion, are a fertile ground for the development of the popular revolutionary struggle, which finds in the victory of the Nicaraguan people the embodiment of its longing for redemption.

Little by little, however, it has become evident that the Honduran regime considered its position as a "launching point" against the Sandinist revolution, with the open support of the military sectors that dominate United States policy. Actually, it was last June when the real scope of Washington's plans, aimed at the heart of the new Nicaragua, was demonstrated.

Up to that time, some 4,000 former Somozist guardsmen in 18 camps on Honduran soil were content to launch minor armed attacks, harassment actions, rapid incursions into Nicaragua--actions which, although limited, caused anxiety, damage and unfortunate loss of lives.

However, as the first half of the year ended, the new plans for aggression were made public, to be carried out by real "counterrevolutionary military units"

with modern weapons, including mortars, bazookas and FAL and M-16 rifles, according to accusations made by Nicaragua's vice minister of interior, Commander of the Revolution Luis Carrion Cruz.

The new plans for aggression included the establishment of clandestine camps in the extensive jungle zone of northeast Nicaragua; from these camps were to be launched the occupation of the city of Puerto Cabezas on the Atlantic coast; the destruction of the new Miskito community of Tasba Pry and the attack on the Rosita and Bonanza mines.

Those plans, according to Managua's charges, include the eventual creation of a counterrevolutionary government which, as soon as it is able to control part of the territory, would be quickly recognized by the United States and the reactionary governments in the area.

#### First Encounters

The first encounters involving the Sandinist forces occurred last 4 July in areas near the Seven Bank River, some 60 kilometers from the Honduras-Nicaragua border. The intensity of the battles and the weapons used clearly demonstrated the seriousness of the counterrevolutionary intentions.

At the end of 3 weeks of confrontations, the invading force had lost about 75 men and was bottled up in a dense mountain area, while about 40 Sandinist soldiers and militiamen had perished in the action.

At the same time, incursions by what were already counterrevolutionary military units--composed of between three and five detachments of 20 men each--multiplied and almost daily took over villages and attempted to destroy dams, leaving a toll of nearly 30 dead, some of them decapitated.

The detachments that operate near the border flee toward Honduran soil to avoid encounters with the Sandinist People's Army. Nevertheless, there have been casualties on both sides in several confrontations.

Nicaraguan charges emphasize in this respect the role played by the Honduran army, which from its positions in the border areas launches artillery and rifle fire to assist the escape of counterrevolutionary groups being pursued by Sandinist soldiers.

The Central Intelligence Agency (CIA) has earmarked \$19 million for the program, a figure admitted before a congressional committee by the assistant secretary of state for inter-American affairs, Thomas Enders, who coordinates the project along with Hector Sanchez, of the Pentagon.

The plan includes joint military maneuvers by the armed forces of the United States and Honduras, like those held in October, 1981, under the title, "Hawk View" and those of last July and August aimed at transferring some 1,000 Honduran soldiers to areas close to the Nicaraguan border, in the Atlantic department of Gracias a Dios.



The deployment of that force, under the direction of United States pilots in American C-130's (Hercules), also included light weapons and artillery, such as 60-mm mortars and bazookas.

It is interesting to note that the contingent is located in areas which are very close to Nicaraguan territory and precisely in an area where several thousand Miskitos are being trained, who were beguiled into fleeing to Honduras with Steadman Fagoth Muller, a former agent of Somoza's Security Office turned counterrevolutionary leader.

The areas in the northeastern part of Nicaragua and the southeast of Honduras are sparsely populated, with few means of communication, jungle areas and broad rivers--excellent for the American plans against the Sandinist revolution. The overall plan to overthrow the Nicaraguan Government also includes sabotage of important economic projects and of that country's infrastructure.

One of these was the destruction of the important bridge over the Rio Negro, in the department of Chinandega, carried out by a group of infiltrators armed with plastic explosives from the CIA arsenal, as was demonstrated by the capture of counterrevolutionary Jeronimo Ramon Ramirez Espinales, a member of the commando group, who confessed to having been trained in Honduras and having come in with that country's military reserves when they were transferring their people to Nicaraguan territory.

However, other actions failed, such as the attempts to destroy the cement factory and the Managua refinery, which led to the arrest of several counter-revolutionaries and exposed the participation of certain Venezuelan diplomats in the operation.

Last 19 July, a pirate plane from Honduras launched two rockets against fuel tankers in Nicaragua's chief port, Corinto; however, they missed their mark. Had they been on target, they would have caused huge losses and thousands of deaths in that city of 30,000 residents.

Later, on 27 July, two planes, a Piper and a Serocommander, coming from Honduras, attempted to bomb the Managua refinery, the only one in the country, but were intercepted a few kilometers from their objective and forced to turn back by the Sandinist Air Force.

On this occasion, as well as the previous one, the planes returned to their bases in Honduras.

The use of airstrips in that country for incursions against Nicaragua appears to be related to the charges made by Managua and by progressive forces in Honduras concerning a plan to expand Honduran military airfields.

At present the American Congress is concluding its approval of a credit of \$21 million for renovation of the San Pedro Sula, La Ceiba and Comayagua airports, which will also be utilized by military aircraft from the United States. Washington is also considering construction of a naval base on El Tigre island in the Gulf of Fonseca, an area of the sea in which sovereignty is shared

by Honduras, El Salvador and Nicaragua. Therefore that type of installation would affect all three countries, although the possibility is discounted that its use would be aimed against the Sandinist popular revolution and eventually against the progressive forces fighting in El Salvador.

#### Role of Intervener

What factors have influenced Honduras to play that role?

In the first place we must emphasize the country's dramatic economic and social situation. Honduras is the second poorest country in the western hemisphere, with an illiteracy rate of 54 percent, an inflation rate higher than 30 percent and unemployment and underemployment which affects 75 percent of the working-age population.

In the month of July alone, 26 enterprises laid off 12,000 workers, closing their doors because of problems of insolvency and financing.

The flight of capital has been around \$500 million, and economic growth in 1981 was practically zero.

In the midst of that desperate situation and the revolutionary awakening among its neighbors, the Honduran bourgeoisie preferred to deliver itself up, hand and foot, to the policy of the United States, an act by which it hopes to obtain an injection of dollars to strengthen its positions.

And that is precisely what President Roberto Suazo Cordoba requested on his recent visit to Washington accompanied by the real power behind the throne, Gen Gustavo Alvarez Martinez, head of the army.

General Alvarez, who after several changes among top-ranking military officers, came to control absolute power in the colonels' junta that has been governing the country for almost 2 decades, said a few days after becoming head of the army at the end of January that he was willing to permit American troops to be based in Honduras.

Meanwhile, almost a hundred American and several South American advisers are training the Honduran Army and security forces, as well as former Somozist guardsmen quartered in that country.

In 1982 alone, Washington has granted \$10.7 million in military aid and expects to deliver another \$17 million shortly, not counting a \$12 million-dollar arms sale this year and the \$21 million earmarked for the expansion of the airports. All this adds up to \$60 million, to which can be added \$38.8 million in economic aid. However, authorities in Tegucigalpa hope to receive, in addition, no less than \$350 million from the United States and from international lending agencies. According to a member of the Nicaraguan Government Junta, Sergio Ramirez Mercado, Honduran authorities have rented out their land so that Washington can push its anti-Sandinist policy.

Now Nicaragua has extended for 6 more months its National Emergency Law, which has been in effect since last 15 March, to assist with the defense of its sovereignty.

If the role that Honduras has played against Nicaragua is added to its activities against the forces of the Farabundo Marti Front for the National Liberation of El Salvador, a country to which it recently sent more than 2,000 soldiers to support military operations there, one can better understand that the Honduran bourgeoisie and military are acting openly against the interests of the nations of Central America.

#### El Salvador: U.S. Aid Increasing

Havana PRISMA LATINOAMERICANO in Spanish Sep 82 p 5

[Commentary by Elena Acuna]

[Text] "A partial confession is sufficient proof," says an old legal precept, and in case anyone might have any doubts about whom the Salvadoran Government is serving, the U.S. Government itself took the trouble to confirm it as an instrument of U.S. interventionist policy.

"For some time we have been embarked on a dialogue with the government of El Salvador concerning how we can best achieve our political objectives in that country," said State Department spokesman Dean Fisher in one of his last official acts. He was replaced on 3 August by John Hughes.

Shortly before that, and as part of his efforts to achieve legislative approval of his program of military and economic aid to the new regime which came to power through the fraudulent elections of 28 March--sponsored by the White House and "advised" by the CIA--President Ronald Reagan had confirmed to Congress an alleged improvement in the human rights situation in that country.

While Reagan was presenting that confirmation ("basically dishonest," in the opinion of representative Gerry Studds) on 28 July, the Salvadoran military was heavily bombarding vast rural areas in the department of Usulután.

As usual, the peasant population was severely punished by the army, supported by Dragon-fly planes and Huey helicopters supplied by the United States Government, and the operation ended with a new failure by the regime in its attempts to dislodge the guerrillas from their positions.

Two other similar offensives had previously had an identical outcome, in the department of Chalatenango and in the foothills of Guazapa volcano, the scene of more than 10 thwarted "cleanup operations."

The latest massive counterinsurgency actions in Chalatenango marked a new step in the American drive to regionalize the Salvadoran conflict, with the arrival of more than 2,000 Honduran soldiers at the end of June to support the military in El Salvador, an event that confirmed the role of new Central American gendarme assigned by Washington to Honduras.

The guerrilla bands, meanwhile, have recently stepped up their harassment against the regime's forces and demonstrated their vitality with constant sabotaging of military installations and economic objectives, in spite of the deployment of troops throughout the country.

Now, as part of his effort to strengthen the government and weaken the revolutionary movement in El Salvador, the Reagan government is asking for an increase, not only in financial aid--\$266 million projected for 1983-- , but also of the number of "military advisers" stationed in that country, of which there are 55 at present, according to official reports.

THE WASHINGTON POST revealed recently that the American military mission in El Salvador is trying to get an increase in personnel in order to be able to assign groups of advisers to each of the Salvadoran army brigades, a plan which has the approval of that army's high command.

The newspaper admitted the strength of the Farabundo Marti National Liberation Front (FMLN), expressing the opinion that without the aid of the United States the Salvadoran Army would not be able to last a year against the attacks of the guerrilla forces.

In view of this situation, Reagan was not at all hesitant in presenting to Congress his certification ("simply incredible," according to Speaker of the House of Representatives Thomas O'Neill) favorable to the regime which is theoretically headed by Alvaro Magana, a civilian, but which in practice is run by the defense minister, Gen Jose Guillermo Garcia, and Roberto D'Aubuisson, leader of the extreme Right.

The latest figures revealed by the Salvadoran Human Rights Commission indicate that there were 34,184 murders between October, 1979 and March of this year, and that in the first 6 months of 1982 alone--the period covered by Reagan's report--there were nearly 3,000 political crimes in El Salvador.

In spite of Reagan's voluntary blindness, the dramatic situation of the people of Farabundo Marti is, however, recognized by important American organizations, such as the American Civil Liberties Union, which indicated in a report to Congress:

"By commission as well as by omission, the Salvadoran regime is guilty of a broad and systematic conduct of gross violations of human rights."

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## PAST 3 YEARS OF NAM, CASTRO LEADERSHIP REVIEWED

Havana PRISMA LATINOAMERICANO in Spanish Sep 82 pp 34-39

[Article by Edel Suarez: "Nonalined Countries - Taking Stock of Leadership - Work During the Past 3 Years"]

[Text] The recent talks held by the Movement of Nonalined Countries in Cyprus to deal with the Israeli aggression against the people of Palestine and Lebanon are an example of the work being carried out by that group of nearly 100 nations.

The special meeting, held nearly on the eve of the Seventh Summit Meeting of Chiefs of State and Heads of Governments, also is an appropriate occasion for taking stock of the activities carried out by the nonalined countries during the past 3 years, a period during which they have functioned under Cuba's leadership.

From the Sixth Summit Meeting of Chiefs of State and Heads of Governments, held in Havana in late 1979, to the recent emergency meeting convened in Cyprus, the movement, which is now over 20 years old, has continued to be characterized by its vitality, cohesion, and strict adherence to the founding principles on which it was born in Belgrade in 1961.

Those principles, which are clearly anti-imperialist and are often discussed, are those established at the meeting preparatory to the First Summit Meeting, held in Cairo.

Despite the heterogeneous makeup of the movement, which includes nearly 100 nations with different social systems, its cohesion has been maintained, although the number of nonalined countries has practically quadrupled between its founding and now.

With respect to its vitality, which is naturally affected by circumstances in the international context within which the movement carries out its activities, particularly the work done by the country having the chairmanship, the nonalined countries have indeed been vital throughout the two decades.

Since the Sixth Summit Meeting in Havana, the largest-scale gathering of the nonalined countries ever held, the movement has been characterized by increased activity that is always in accord with its founding principles.

This was the assessment made by the nonalined countries' own foreign ministers at the regular meeting of the Coordination Bureau, held in the Cuban capital in June.

On that occasion, the bureau expressed its recognition "of the dedication to the principles of nonalignment that Cuba, as presiding country since the Sixth Conference of Chiefs of State or Heads of Governments of the Nonaligned Countries, held in Havana in September 1979, has shown in its coordination of the bureau's and the movement's work."

The recognition accorded Cuba is naturally influenced by the complicated, tense international situation amid which it has had to perform its coordination work; but the extensive activity carried out by the movement's chairman for the past 3 years, Fidel Castro Ruz, in the midst of this situation is also a publicly recognized reality.

This complicated, tense international situation, the first symptoms of which began to appear before the summit meeting in Havana, and which stems from the renewal of the so-called cold war by the United States, was condemned by the chiefs of state and heads of government in the final document issued in the Cuban capital.

#### Intensification of the Cold War

The 3-year period during which Cuba has functioned as head of the movement has been characterized by an intensification of this U.S. cold war policy, along with another set of conflicts, including some involving nonaligned countries themselves, as is occurring with the war between Iraq and Iran, now nearing the end of its second year.

Conflicts characterize this entire period we are trying to assess, from aggravation of the situation in Central America and the Caribbean due to Washington's interventionist policy, a few weeks after the summit meeting in Havana, to, most recently, the conflict created by Israeli aggression in Lebanon, carried out with U.S. support.

During these years, we have witnessed the growing complication of the international situation, as occurred with the neocolonialist maneuvers intended to thwart Zimbabwe's independence, in which the movement's efforts to combat those plans played an important role.

Recognition of these efforts was epitomized by Tanzanian President Julius Nyerere in statements concerning them. The African leader said, "Fidel Castro's personal efforts and the speed with which he responded to our call were an extremely important factor in the fulfillment of the accords regarding Zimbabwe's achieving independence."

A few days after the end of the summit meeting in Havana, the movement had to deal with the customary coordination work during the 34th session of the General Assembly, for which the movement's chairman traveled to the headquarters of the largest world body.

In addition to disclosing the important resolutions adopted at the Havana summit meeting, Fidel Castro proposed that the United Nations Organization establish a fund of no less than \$300 billion (1979 dollars) to promote the growth of developing countries during the 1980's.

In regard to South Africa, the nonaligned countries have been active during the 3-year period we are discussing, primarily within the United Nations, seeking condemnation of the racist regime's policy (which violates international law) and demanding that the Namibian people's right to independence be respected.

Specifically concerning the Namibian issue, the movement organized a special, ministerial-level meeting of the Coordination Bureau in Algeria in April 1981, to express solidarity with the Namibian people.

This was the third special meeting devoted to a single subject held by the non-aligned countries in the short period of 3 years. The other two were devoted to expression of their solidarity with the Palestinian cause, the first having been held in Kuwait in April of this year and the second, an emergency gathering held recently in Cyprus.

In its entire history, the Movement of Nonaligned Countries has held only four special meetings of this sort, the first having been the one held in Maputo, the capital of Mozambique, to express solidarity with the cause of the African Southern Cone in 1978.

#### Situation in Middle East

The situation in the Middle East was another burning issue that the movement quickly took up after the Sixth Summit Meeting in Havana.

At that time, Cuba was given the mission by the nonaligned countries of appearing before the UN Security Council to express the movement's point of view about the Middle Eastern situation, which later continued to worsen right up to the recent Israeli invasion of Lebanon, described as "one of the most shameful pages in the history of humanity" at the Cyprus meeting.

Through a special working group as well as its numerous regular and special meetings, the movement has worked tirelessly on the Middle East.

In regard to "critical situations," as soon as the military confrontation between Iraq and Iran in May 1980 was reported, Chairman Fidel Castro instructed Cuban Foreign Minister Isidoro Malmierca to travel to the battle zone and attempt to find an honorable, fair solution to the conflict between the two nonaligned countries.

Efforts to end that conflict have gone on continually all these years, on both the part of the presiding country and of the special commission created subsequently and the movement as a whole.

On different occasions, the work of the chairman of the movement on this issue has been praised by both Iraq and Iran.

With respect to conflicts between nonaligned countries, the movement's successes include a satisfactory outcome in the case of the dispute between Malta and Lebanon.

As for Southeast Asia, the chairman's proposal designed to end any sort of conflict between nonaligned countries was also presented.

Cuba consulted with all the movement's members regarding a special meeting of foreign ministers in 1980 to seek a solution in that region.

Although that special meeting was not held because a majority of the members preferred to wait until the movement's ministerial conference in New Delhi (in February 1981), the results confirmed the usefulness of a meeting of this type.

After discussing the situation in Southeast Asia (including Kampuchea), the foreign ministers gathered in the Indian capital called for a peaceful solution to the conflict with a view to "establishment of a peace and a lasting stability in the region, as well as elimination of interference and threats of intervention by foreign powers."

The movement also was very active in regard to the Israeli attack on Iraq's nuclear reactor intended for peaceful uses, bombed in mid-1981 by Israeli aircraft.

The tense situation created, also during that year, by Israeli bombing of Lebanon as a prelude to the present invasion was the object of attention and constant solidarity and condemnation on the part of the nonaligned countries.

The 20th anniversary of the creation of the movement gave rise to considerable activity, for which a committee was created to coordinate the ceremonies held at the UN headquarters in New York and Geneva, as well as in each member country.

#### Aggression and Threats

The situation in Central America and the Caribbean, a region subject to the United States' interventionist plans, has also constantly occupied the attention of the nonaligned countries during this last 3-year period.

The plans for continual aggression and threats of intervention in Nicaragua, the interventionist activities in El Salvador, the renewed threats to the Cuban Revolution, and the insistence on denying Puerto Rico's right to independence have been given equal attention in discussions by the nonaligned countries.

In all these cases, at its different meetings, including the last one of the Coordination Bureau held this year in Havana, the movement has reiterated its solidarity with the people of this region, extending it also to the struggle in Guatemala and to those favoring consolidation of the independence process in Belize.

A separate issue, in terms of the work done by the nonaligned countries during these years in Latin America, is the case of Anglo-North American aggression against Argentina with respect to the Malvinas Islands.

The Argentine people's cause, relative to their legitimate claim to sovereignty over the Malvinas Islands, has had the movement's solid, clear backing in both the United Nations and in its Coordination Bureau's regular meeting, held recently in the Cuban capital.



After deploring Great Britain's military action, the foreign ministers "demanded an immediate end to U.S. support and military assistance and called for an immediate halt to military operations."

Regarding attacks noted, the nonaligned countries' concern about the situations in Angola and Libya has been ongoing throughout the 3-year period we are discussing.

The movement has taken numerous steps, including a special meeting of its Coordination Bureau in New York, to consider South African aggression against Angola.

The movement has adopted the same measures in the case of the acts of aggression committed by the United States against Libya and the subsequent provocative maneuvers carried out against that country.

As for the attacks suffered by nonaligned countries, the mercenary operations planned and executed South Africa against the Seychelles Islands gave rise to a plenary meeting of the movement in which the Pretoria regime was again condemned for its continual aggressive interventionist actions and support for the people of the Seychelles was expressed.

During these 3 years, the movement has also been extremely active, in both the political and the economic spheres, in international organizations.

#### Disarmament, One of the Objectives

In addition to efforts in favor of disarmament--one of the objectives of the movement's founding principles--in different corners of the international arena, the Second Special Session on Disarmament, sponsored by the nonaligned countries--as was the first session on this issue--deserves special attention.

Unfortunately, as the nonaligned countries discovered, this new special session on disarmament proved fruitless owing to the intransigence of the United States and its principal allies.

The United Nations has repeatedly been the scene of the struggle undertaken by the movement to attain the objectives it has drawn up.

In the case of the Palestinian cause, it is enough to mention the Seventh Emergency Session of the UN General Assembly, convened to deal with this issue, and the Eighth Session, which has been requested by the secretary general of that body following the latest meeting expressing solidarity with the Palestinian cause, held in Cyprus.

The Security Council and the General Assembly have also frequently been the scenes of earnest efforts by the nonaligned countries to defend the Palestinian cause.

The meetings held in the cases of the annexation of Syrian territory, the Golan Heights; Tel Aviv's repressive policy in the occupied territories of Gaza and Transjordan; and the repression carried out against the worshippers in the Al-Aqsa mosque in occupied Jerusalem are clear evidence of those battles.

During the present 3-year period, the United Nations was also the scene of another important battle: the movement's efforts in support of the candidacy of Salim A. Salim for secretary general of the United Nations.

Generally speaking, this is the considerable activity engaged in by the movement within the United Nations in the political sphere, only the most notable events having naturally been mentioned.

The work done by the movement in the economic sphere of the international arena during these 3 years since the Sixth Summit Meeting has also been impressive.

The struggle for resumption of comprehensive negotiations between the developed countries and developing nations has been the focus of the movement's activity, ever since the movement's chairman, Fidel Castro Ruz, appeared before the UN General Assembly shortly after the Sixth Summit Meeting in Havana.

The United States and its chief capitalist allies have systematically opposed those negotiations or have employed different delaying tactics, which the movement has repeatedly condemned.

#### Areas of Cooperation

However, in the sphere described as horizontal cooperation--that is, cooperative economic relations among the nonaligned countries--notable progress has been made.

During the 3-year period under discussion, there have been increased work and discussion among the different cooperation groups created in various spheres.

In addition to this concern, during this period there has also been an awareness of the need to move from the stage of definition and delineation of the spheres of cooperation among nonaligned countries to the stage of implementation of that cooperation.

The meeting of coordinators of the different spheres of cooperation, held early this year in Havana, was intended in part to achieve this end, entailing a search for ways to implement horizontal cooperation.

Prominent among the different aspects of the spheres of cooperation in which the movement is working is the work being done by the nonaligned countries' agency pool, which, after being consolidated, has entered a stage of improvement of its work and its mechanisms.

In the sphere of cooperation in sports, there has also been significant progress, for during the past 3 years four meetings have been held regarding that issue.

The same thing has occurred in cooperation in public health and in fishery: A total of five activities in these areas have taken place during this 3-year period.

Significant progress has also been achieved during this period in such other spheres as the role of women in development, the Intergovernmental Council for Information, cooperation in the areas of food and agriculture, meetings of labor

ministers, discussions by radio broadcasting organizations, and activities in the areas of education and culture.

Promising steps were taken, through the holding of preliminary discussions, in other spheres of cooperation where nothing had been done yet.

This is true of meetings concerning tourism, standardization, the use and development of human resources, and other areas.

As for the life of the movement itself, which now has nearly 100 members, internal cohesion has been greatly strengthened despite that growth.

It has been possible to observe that cohesion at the numerous meetings held during this period, which were more numerous than during past periods.

It is important to stress that this cohesion has been strengthened despite the movement's growth (heterogeneous at the same time) in recent years and the United States' efforts to undermine the movement's unity, first, openly from outside, and at present in a more sophisticated way, through covert maneuvers, and from within the very ranks of the nonaligned countries, through utilization of one or another "Trojan horse."

This cohesion has played a decisive role in reaffirmation of the founding principles that gave birth to the movement and which were consecrated clearly and precisely in the final statement of the summit conference in Havana.

Ever since that summit meeting, it has been a common practice, in the nonaligned countries' deliberations, to take the lineaments of the Havana statement as the point of departure in defining the movement's principles.

The recent special ministerial-level meeting of the Coordination Bureau in Cyprus to express solidarity with the people of Palestine and Lebanon speaks clearly of the strengthening of those internal factors in the life of the movement.

The Cyprus meeting demonstrated the movement's cohesion in the anti-imperialist struggle by condemning Israel and the United States by name as those responsible for "one of the most shameful crimes in history," speaking of the Israeli attack on Lebanon.

At the same time, the massive participation by 66 delegations (20 of them represented at the ministerial level) in a meeting called only 1 week in advance shows the nonaligned countries' ability to meet their international obligations.

The work carried out by Cuba during these years when it has headed the movement bind it even more thoroughly to the movement's task. It has been linked with the movement since it was founded in Belgrade in 1961, and even a little before then.

Cuba was the only Latin-American or Caribbean country to participate as a full member in the First Summit Conference of Chiefs of State and Heads of Governments, held in the Yugoslav capital. This would not have been possible without the triumph of the Cuban Revolution on 1 January 1959.

However, it can be said, too, that ever since the preparatory work for the first gathering of the nonaligned countries in Belgrade, the new Cuba that emerged from the revolutionary triumph and the Movement of Nonaligned Countries have been locked in an embrace lasting into the present.

On 26 April 1961, when the presidents of the United Arab Republic (a fusion of Syria and Egypt), Gamal Abdel Nasser, and of Yugoslavia, Josip Broz Tito, met in Cairo to convene the first Belgrade summit conference, they took advantage of the occasion to condemn the aggression by mercenaries against Cuba at Playa Giron a few days earlier, with the support of the U.S. Government.

That statement by two prominent founders of the movement in the midst of administrative tasks is considered by many historians to be the first condemnation issued by the nonaligned countries.

In the six summit meetings held thus far, the movement has repeatedly condemned the blockade of Cuba imposed by the United States, affirmed this small country's right to be duly compensated for that damage, and backed its demand that the naval base and the territory held by the United States in the Guantanamo region be returned to it.

The staging of the Sixth Summit Conference--the first to take place on the American continent--in the Cuban capital and the reaffirmation of this traditional solidarity at that time bound Cuba even more closely to the Movement of Nonaligned Countries.

At the closing session of that conference, which took place as the first rays of the sun appeared, after 27 uninterrupted hours of work, the movement's chairman, Fidel Castro, spoke of this commitment:

"This conference has given our country great prestige; it has given our country great authority; but we will never use that prestige and that authority to benefit our country."

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## PURPOSES AND STRUCTURE OF GENERAL MILITARY SERVICE DISCUSSED

Havana JUVENTUD REBELDE in Spanish 4, 5, 6 Oct 82

[Part I, 4 Oct 82 p 2: "In the Ante-Chamber of the FAR"]

[Text] Who Should Register This Year?

Last Tuesday, 28 September, a special news program was carried during the evening hours over the Tele-Rebelde channel on registration and conscription for military service.

In view of the interest of the subject dealt with to young people and their families, JUVENTUD REBELDE has decided to publish a summary of the aspects dealt with, beginning today, as well as expanding on others which due to time limitations, that program could not cover.

We invite readers who have any questions on this subject to send them to the Education Team at our newspaper, and we will be very happy to respond to them in future issues.

This year, in accordance with the provisions of the SMG [General Military Service] Law, all Cuban citizens of the masculine sex born in 1966, i.e., those reaching the age of 16 in the course of 1982, are required to register for SMG.

The usual registration period for the country covers the months of September and October, although the various municipalities have special shorter registration periods. They have been and are being announced in the press and on the radio on the provincial and municipal levels, as well as via the other communications media. Young people or members of their families can obtain information from the Municipal Military Offices in their respective areas.

It is important to note that students studying away from home, including the "Camilitos," should register in the municipality where they are at school and must maintain their military registration in that municipality until they complete their studies or transfer elsewhere.

What documents should young men provide for SMG registration, and what responsibilities do they undertake for the defense of the fatherland when they register?

In order to register, young men must present the following documents:

- Identity or minor's registration card;
- Two photographs measuring 4 by 5 centimeters; and
- A certificate of school achievement.

In addition, those young men suffering from any disability must present a summary of their clinical history showing the treatment prescribed in recent years and supplementary examinations supporting the diagnosis. This clinical history summary, along with the physical examination given every young person at the time of registration, will make it possible to reach an objective conclusion as to his state of health, and will help the registration commission make the best decision.

In connection with the obligations the young person undertakes as of the time he registers, it should be made clear that on completion of his SMG registration, each young man can consider himself a prerecruit, and as such he has certain obligations to fulfill prior to being called up, as follows:

- To keep his military registration up to date, i.e., to notify the Municipal Military Office of any change in his school achievement, address, physical condition, etc., within a period of 7 days;
- To present himself for the medical treatment prescribed; and
- To participate in the courses for prerecruits offered by the SEPMI [Society for Patriotic-Military Education], if selected for the purpose. These courses may be for radio telegraph operators, drivers, health personnel, divers and paratroopers, among other specialties.

[Part II, 5 Oct 82 p 2]

[Text] Who Are the Members of the Registration Commission? And When Will the Young Men Who Register This Year Be Called Up?

The law provides that commissions will be attached to the military committees to deal with the tasks of SMG registration and also for calling up conscripts for active military service. These commissions are called registration commissions or recruiting commissions, depending on the case.

The structure of these commissions, which we will describe below, is also specified such as to facilitate the subsequent implementation of their tasks. Each commission, either for registration or for recruiting, is made up of a representative of the FAR [Revolutionary Armed Forces], who serves as its chairman, and one representative each of the Communist Party of Cuba, the UJC [Union of Young Communists], the organs of people's government and the Ministry of Interior, as well as various medical experts designated by the public health bodies on the various levels.

The composition of the commission enables it to make the fairest decision in the case of each young person. We are speaking of the call-up, temporary postponement of it, exemption from military duty, etc. Thus the making of such decisions by a single individual or on a unilateral basis is avoided.

During their work sessions every day, these commissions draft minutes listing the names of all the young persons interviewed and the decision made in each case, and this record is signed at the end of the day by all the members of the commissions involved.

When will these young men registering for SMG this year be called up?

The policy which has been pursued and will continue to be pursued is to allow young men to complete the level of study on which they have embarked prior to being called up for military service.

At the age of 16, young men are as a general rule pursuing studies on the preuniversity level or its equivalent, i.e., middle-level technical studies, so that they should be called up when they graduate from that level, that is to say at approximately 18 years of age.

The balance of the young men, engaged in studies on a lower level, or who on reaching working age engaged in labor, or in other categories, will be called up for service at 18 years of age.

This recruiting policy is consistent with our Marxist-Leninist concept of the defense of the fatherland. In the central report to the First Congress of the Communist Party of Cuba, its first secretary, Commander-in-Chief Fidel Castro, said: "In our socialist fatherland, every soldier is a revolutionary and every revolutionary is a soldier."

Through completion of their military service, the new generations have a real possibility of putting this principle into action, obtaining optimal political and military training in order to drive back and triumph over the most aggressive imperialism ever seen in the history of mankind. Once these young men have done their active service and are demobilized, they will contribute to the strengthening of the glorious reserves of our FAR.

[Part III, 6 Oct 82 p 2

[Text] What Opportunities Do Higher Secondary-School Graduates Called Up for Active Military Service Have for Continuing Their Studies?

Above all, it is necessary to make it clear that only those graduates of preuniversity schools who, on the basis of their academic achievement or records, do not have average qualifications guaranteeing their immediate acceptance at a higher educational institution are called up for active service. Those who enroll in universities may be called up to serve as officers in the military units when their university courses are completed.

With regard to young men who do not go directly into the universities, we must specify that they are called up to serve in the ranks for 3 years on the basis of the provisions of the SMG law. However, as an incentive to proper conduct, discipline and results in combat and political training, these graduates may benefit, after completing 2 years of active service in their units, and on the basis of a careful selection made within the troop ranks, from the opportunity to enroll in a preparatory course offered during the final period of their service, to refresh their knowledge of school subjects and offer them a second opportunity to go on to higher studies.

These preparatory courses are the product of a joint effort by the Ministries of Education, Higher Education and the FAR on the basis of a recommendation made by the commander-in-chief, urging establishment of the Carlos J. Finlay Medical Detachment. Currently, more than 200 demobilized soldiers trained in these courses comprise the first contingent of that detachment.

To provide economic aid to the young demobilized soldiers going on to daytime university studies through the preparatory courses, a system providing a monthly stipend of 20 pesos during the preparatory course and 30 during the first year of university work, with an increase of 10 pesos annually, has been approved.

This stipend serves as an incentive to the young men who honorably fulfill their active military service, and is in addition to any other form of economic aid the university may provide to the students.

The preparatory courses are currently being taught at three schools (rural preuniversity institutes). One is in Granma, another in Camaguey and the third in Guines. In the future, when the number of young men benefitting from this plan so requires, further centers will be established for this purpose.

(We remind parents and young people interested in asking any other questions about registration for general military service and recruiting that they can address their letters to the Education Team at our newspaper.)

5157

CSO: 3248/200



## RIVERA Y DAMAS REPLACEMENT SPEAKS ON GUERRILLAS, ABDUCTIONS

San Salvador EL MUNDO in Spanish 25 Oct 82 p 2

[Text] 24 Oct (DPA)--A member of the Religious Senate of the Salvadoran Catholic Church, Jesus Delgado, who replaced Monsignor Arturo Rivera y Damas this Sunday, asserted today at the San Salvador Cathedral that "there is not the slightest doubt that this guerrilla offensive has been the most impressive of all those staged by the guerrillas since this escalation got under way."

Nevertheless, he said, he was certain that no matter how impressive this offensive is "it will not be able to provide a military victory to the guerrillas."

On their part, the armed forces which are professionally trained to face this type of attacks have experienced serious difficulties either because they were caught by surprise and the surprise element has played in favor of the guerrillas or because among the ranks of the armed forces there is already fatigue and demoralization on account of a war in which the soldiers themselves and perhaps their officers, too, "do not see much sense."

"Specifically," Father Jesus Delgado noted, "they can see that the war is expanding too much with increasing cost in terms of lives, and the military who know by virtue of their profession that their function is not to kill but rather to save find themselves with a need to kill and thus, as human beings, they are bound to be demoralized."

Father Jesus Delgado, who on Sunday replaced Monsignor Arturo Rivera y Damas, now in this diocese in eastern El Salvador, said in his sermon that "this phenomenon must also be occurring in the ranks of the guerrillas."

He found that, be it as it may, it is also proven that the major attacks of the armed forces against the guerrillas "cannot halt the destructive force of the guerrillas either."

Later the Catholic prelate added: "That is why we find ourselves at this juncture: Neither have the guerrillas given evidence that they are able to win the war nor have the armed forces given indications that they are sufficiently capable of checking the impact of the sabotage which the guerrillas are pursuing on all the country's roads."

"One conclusion is mandated from all the evidence of the case," Father Jesus Delgado noted: "The war alternative is an erroneous path to achieve peace in El Salvador.

"With this war we can no longer even survive," the cleric stressed. "In addition," he noted, "the country's eastern region is part of our national territory and in that sector Salvadoran citizens are suffering in grievous fashion from the consequences of this useless and irrational confrontation."

The priest told Salvadorans, united in their suffering: "We must seek a solution through peaceful methods since military methods have been fruitless."

#### Delgado Talks of Abductions

The Salvadoran Catholic Church declared today that the recent abductions of leaders of the opposition Revolutionary Democratic Front (FDR), denounced by the guerrillas, seem to follow a well-laid plan" of removing the heads of the internal leadership of the FDR and in that way undermining all attempts at dialogue between the forces of the government and the guerrillas."

Father Jesus Delgado, member of the Religious Senate of the Salvadoran Catholic Church, said today in the Cathedral of San Salvador that seemingly "an attempt is being made with these abductions to check the momentum of the guerrilla escalation, which has lately burgeoned and exceeded the fighting capabilities of the armed forces."

He stressed that whatever may be the strategy and goal sought with these abductions, what is of most concern to the Church is "the fate of these prisoners given that most of them were civilians at the time of their capture and that not only is an effort being made to conceal the source of the order for abducting them but especially attempts are being made to hide the fate reserved to those who have been abducted.

"As a representative of the Church and in its name, respectfully, but also with the energy demanded by respect for the rights of the individual, I raise my voice to whichever group has these abductees in its power to remind it that these are human beings and therefore that respect is due to the physical safety of their persons," Father Jesus Delgado emphasized.

He noted that in the archbishopric of San Salvador there appeared, between 15 and 21 October 1982, relatives of 15 individuals who were abducted, among them four political opposition leaders.

Also denounced was the abduction of, among others, Carlos Molina, chairman of the economics department of the National University; Luis Antonio Menjivar Rivera, a retail businessman and member of the National Council of the Christian People's Social Movement; Mauricio Domenek, contractor and member of the National Council of the National Revolutionary Movement (MNR); David Elias, top trade union leader of the National Revolutionary Movement; and Raul Antonio Castro Palomares, secretary of education and propaganda of the Trade Union Federation.

## ECONOMIC SITUATION IN CHILE NOTED

Havana PRISMA LATINOAMERICANO in Spanish Sep 82 pp 8-10

[Commentary by Miriam Castro]

[Text] "Breed ravens, and they will pluck your eyes out."

That is what has happened to the government of Augusto Pinochet, with his much-touted economic "model" imported from the Chicago School supposedly to carry Chile to the pinnacle of its glory.

To the annoyance of the "constitutional" president of Chile, the reality is very different 9 years after having established in that southern country the power of the bayonet and the military boot by assassinating the head of the Popular Unity government, Salvador Allende, and setting fire to the Palacio de la Moneda on 11 September 1973.

The economic "miracle" concocted in the United States and imposed by force of arms has not exactly brought that South American nation to a bonanza and to its pinnacle of glory, but rather, on the contrary, to its most serious financial and social crisis, which now even seems to have "hit the bottom" on the political level as parts of some sectors, formerly rabid supporters of the regime, begin to be aware of certain discrepancies.

Chile is a huge world bazaar, absolutely dependent on foreign capital, a situation that has caused the impoverishment of the entire nation, asserted a representative of the Latin American Human Rights Association, who pointed out that, in addition to poverty and lack of employment sources for the people, there is a definite abridgement of union rights, and military courts have power to issue death sentences in summary trials, in which lawyers have little to say. And repression has been the basic pillar of support for the economic "model." But not even the most ferocious policy of terror has succeeded in crowning with success the monetary scheme originated by American economist Milton Friedman and which has been in force in Chile since 1975 and now, in Pinochet's ninth year, is bogged down.

The "model" is deflating so rapidly that some critics of the Chilean Government have even expressed the opinion that "the Chicago model is going to sink..." "It is the total collapse of the system..., it is the beginning of the end," they asserted.

Last March Pinochet decided to make some changes in his cabinet to try to relieve the critical situation which was already settling in. At that time the chief executive stated that the economic policy would continue unchanged and that there would be no devaluation of the currency, whose exchange parity, fixed at 29 pesos to the dollar since 1979, had helped the government economists to maintain inflation at its lowest levels, a situation of which they boasted. To devalue would be like "giving morphine to a sick person," Pinochet had said. But things did not turn out so well, and 3 months later the triumphant smiles were wiped away, when they had to permit devaluation of the national currency at 18 percent, which fixed exchange parity at 46 pesos to the dollar and, as a result, opened the floodgates to rising prices.

The finance minister, Sergio de la Cuadra, announced that the consumer price index (IPC) will increase by 3 to 4 percent this year, while other sources, also close to the regime, calculate that the inflation rate will be between 10 and 17 percent by the end of 1982.

Friedman's "outstanding" students also found themselves constrained to request new loans from the International Monetary Fund (\$800 million) and the International Development Bank (\$180 million) compromising the country even further, since it already has a foreign debt of more than \$15 billion.

Among the emergency measures adopted by Pinochet and his government team are reductions in high salaries, postponement of announced salary increases to the public sector and a 10 percent tax on the sale of cigarettes and tobacco.

The "journey with no turning back" which, according to Pinochet, was undertaken when the Chicago economic model was implemented, has taken a brutal turn, and according to the experts, only 30 percent of this crisis can be attributed to the international recession, rather than its entirety as the government's leaders would have everyone believe.

Who Said Economic Miracle?

Who would dare to speak of an economic "miracle" in the face of a per capita income increase of only .4 percent annually during the first 8 years of the military regime, ask the analysts.

The neoliberal model caused a drop of 15 percent in industrial production in the first quarter of 1982, compared with the same period in 1981; losses to agriculture are becoming ever greater with the drop in prices paid to the producer; construction is becoming paralyzed at a dizzying rate and business are also shutting down.

While the fiscal deficit is approximately \$1.1 billion, the reserves of the Central Bank (pride of the "Chicago boys") continue to fall precipitously; at the same time the banks owe huge sums of money to their clients.

More than 500 big, medium and small business firms went bankrupt in the last 12 months, causing an increase in unemployment, which is now almost 25 percent of the population, not including those who are doing cleaning and similar work

for the equivalent of \$30 per month under the so-called Minimum Employment Plan, the regime's subterfuge for covering up unemployment. One can even begin to observe the phenomenon of unemployed business entrepreneurs joining the ranks of "the unemployed" in the South American nation.

Another direct consequence of Friedman's economic "model" is that Chile has become a country where "everything is imported," and that its national industry is in open bankruptcy. "Imported Products Mean Unemployment," says the slogan of a campaign undertaken by local producers to stimulate the purchase of articles made in Chile.

There are even cases in which domestic articles inaccessible in Chilean markets are practically given away in any other place. A West German tourist arrived at a conclusion which he expressed to the magazine HOY: "Chileans, if you want to eat wholesome fruits and fine shellfish from your country, visit the Federal Republic of Germany. They are being given away there."

Meanwhile, the regime continues the unbridled course of returning the chief strategic enterprises to private ownership, making 440 businesses which have passed into private hands since 1973, to the tune of \$700 million--businesses which had previously been nationalized by the Allende government (1970-73). The policy of opening the doors to foreign capital is also reinforced with announcements of sales of other big industries to transnational enterprises.

This economic "model," which has enriched financial groups and impoverished broad sectors of the people, has further deepened the moral crisis which began when the military took over La Moneda.

#### Repression and Corruption

In Chile today there is no state of law, and the present constitution gives discretionary powers to a secret police governed by secret articles, with prisons which are also secret, in which individuals can be mistreated for a period of 20 days, without the courts even knowing where the victims are or of what they are accused. Torturing and killing may take place with impunity.

"We had never seen so many crimes and scandals--and the people do not know about all of them--in which those responsible are members of the agencies which should protect the citizens," Father Andres Animat, professor of social ethics at Catholic University.

And the corruption begins with the head of government and his family. Pinochet had admitted the country's "difficult" economic situation, but at the same time he is using part of the fiscal budget to establish access roads to his personal residence or to family recreation spots. He has had a heliport built to make his arrival at his summer home more safe and comfortable, and at present a road is being built to the residence-fortress he is having built, with an area of 2 hectares and at a cost of \$9.5 million.

Meanwhile, the people are awaiting the construction of 900,000 dwellings promised by the head of government, which have now become more unattainable than ever due to unemployment in the construction sector. Thousands of persons live

in marginal slum areas, where the greatest incidence of prostitution and drug addiction are found as a way of earning income and avoiding the heartbreaking poverty.

In view of this situation, even EL MERCURIO, spokesman for the chief financial groups, has criticized Pinochet and his team. "Things are going badly; they are being managed with the bumbling of amateurs, which is causing government supporters to become discouraged and placing the government in danger of not having anyone to defend it but its hardened soldiers," said the editor of the paper, who, of course, was fired.

In the opinion of Chilean leftist parties, the current crisis has caused an enormous process of discontent, of social convergence which should be used to advantage to unify action and develop a popular solution for the situation, to transform it from a social and economic crisis into a political crisis for the regime, until the total overthrow of the dictatorship is achieved.

"Consequently, the popular movement will employ all types of struggle which it may objectively consider most suitable to each moment," the Chilean Left stated in its Declaration of Mexico in 1981."

Pinochet's economic "model" itself is digging the regime's grave.

8735

CSO: 3248/184

## VEIGA URGES HIGHER AGRICULTURAL-LIVESTOCK PRODUCTION

Havana TRABAJADORES in Spanish 5 Oct 82 p 4

[Speech by Roberto Veiga, secretary general of the Central Organization of Cuban Trade Unions (CTC) and alternate member of the Party Politburo, at the commemoration of Agricultural-Livestock Worker's Day in Guira de Melena, Havana Province, on 3 October]

[Text] Dear comrades:

As I begin these words, I should like, above all, to convey our warmest congratulation to the agricultural-livestock workers of the Havana provinces who have earned the site of this national commemoration of "Agricultural-Livestock Worker's Day" by their effort and successes.

I must start by saying that this has not been an easy victory for the Havana workers. It has truly been a fraternal but hard battle. As you know, for some years Matanzas had been retaining the title of this emulation which has caught on strongly. Matanzas agricultural-livestock workers and their union distinguish themselves by their tenacity, enthusiasm and top results they achieve in their work. Other provinces also had done meritorious work this year, and deserved to be given national recognition and stimulation.

It was a difficult choice, but certain factors turned the decision in favor of the Havana provinces.

First of all, Havana City Province had been declared Vanguard Province in recognition of its productive results in 1981. Secondly, Havana Province had been declared Fulfiller for that same year and, in general, it had done good and efficient work.

It was therefore decided that it would be fair to grant this incentive to the Havana provinces. Moreover, it was kept in mind that they have been making a truly great effort despite the objective factors that affect their economic management. They carry on their shoulders the burden of having to feed more than 2 million people and, despite this, they are achieving productivity and efficiency levels that can be termed outstanding.

Undoubtedly, this is important. But more important still is the fact that we can commemorate this Agricultural-Livestock-Worker's Day not with isolated successes of a few provinces, not with the achievements of a small number of the country's agricultural-livestock workers, but with the successes and encouraging advances of the men and women of this sector in all the provinces, in all of our country.

What truly makes us enthusiastic is that we can celebrate this day which also marks the 19th anniversary of the Second Agrarian Reform Law--the law that put an end to capitalism and to its system of exploitation in our countryside; the law that set an important foundation for our socialist agriculture; the law that liberated thousands of our farm workers, the most humble, the most despoiled and the most forsaken of our workers in the old society; the law that made it possible for us to commemorate this day on a victorious march toward the technological, productive, cultural and social revolution of the Cuban countryside. Despite our difficulties and limitations, we continue to advance toward the realization, in our agricultural-livestock economy, of the development program outlined by our party and, very personally, by comrade Fidel.

Although we must always be dissatisfied with and critical of everything we do, and although we are aware of the growing needs and unresolved problems in our countryside, on an occasion such as this one we can actually look at the path we have traveled with pride and optimism.

#### Our Farm Workers Are a Decisive Force for the Advance and Development of the Revolution

We may still be lacking many things. However, while in most countries of this continent unemployment and hunger do their principal damage among the disadvantaged of the countryside, leading them to extreme desperation, as we have learned from news reports that speak of hundreds and thousands of farm workers who loot warehouses in order to take a little food to their children and other relatives, here in Cuba, there is no farming family that does not have assured a decent income, food on the table, education and health care for all, and with increasing quality, dignity, peace, security and the esteem and respect of all the working people.

We cannot fail to remember these things on a day like today because we are not alone in the world and because we feel the need to think of our brothers who suffer and struggle to change their future.

We cannot fail to remember these things because we must always remember our own past so as to struggle each day with more zeal and more tenacity for our revolutionary cause.

That past cannot be forgotten. That sad sight of the farm worker and of his brother, the poor peasant, going around looking for an odd job or weeding work to earn a precarious living. That past of children without schools, without books, without medicines, condemned to die of curable diseases or to work as young as possible. That countryside, over there in Ventas de Casanova, where before the revolution there was a single little hospital; that countryside without roads, without water works, without those rural communities which today



fill us with joy. That miserable past of wasted time [between sugar harvests], of real abuse, of injustices and of outrages of all sorts. We cannot forget it, comrades.

Neither can we forget the rebelliousness, heroism and patriotism of the humble sons of our plains and mountains. They are the roots of our free and sovereign country.

We cannot forget that from them emerged those fabulous legions of our liberating independence fighters last century and those extraordinary men who at Realengo 18 and so many other places years later raised the indomitable slogan of "Land or Blood." We cannot forget them, comrades.

We cannot forget fighters like Marcos Marti and Alfredo Corcho, worthy representatives of our agricultural proletariat who gave their lives in the assault on Moncada Barracks and outlined the path over which their class brothers would advance to make a decisive contribution to the Granma exploit, to the Rebel Army struggle in the Sierra and plains, to the defense of the revolution against the mercenary groups and against the imperialist invasion of Playa Giron, to the safeguard of our gains and to the militant exercise of proletarian internationalism in other lands of the world that have needed our help, as workers or as soldiers.

We cannot forget and must always remember with deep gratitude those difficult times when, amid an intensive class battle, we started to take our first steps to transform our countryside and the firm and determined response we always found in our selfless farm workers.

That was when we did not have the experience we have today.

When we did not have the agronomists and cadres capable of organizing and managing socialist agriculture.

When rivers took the water to sea and we did not have dams or irrigation systems.

When there were no high yield varieties, or intensive production methods, or that extraordinary genetic potential that has been developed in livestock and agriculture.

When there were no factories of combines, farm tools or fertilizers, or all that technical and scientific infrastructure we have today.

When we did not have that vast network of schools, institutes and universities dedicated to the training of the skilled workers and specialists required by agricultural-livestock production.

When we had a great mass of illiterates or semiilliterates instead of the cultural levels we have today.

For these and many other reasons, we can assert with absolute conviction that our agricultural workers have been, are and will be increasingly more in the future a decisive force for the advance and development of the revolution.

Therefore, there cannot be a more beautiful and significant date than this 3 October for our agricultural-livestock workers to celebrate their day, to review what they have achieved and what they still lack, and to receive, as they are today, the fraternal homage and recognition of all our people.

Must Increase Efficiency, Save Maximum of Resources, Do More With Less

At this ceremony, we are keeping in mind the economic report rendered by Comrade Fidel in Bayamo on 26 July. That report identifies the major successes attained in agricultural-livestock production, primarily as a result of increased productivity, despite the high temperatures and drought that adversely affected the production of vegetables, tubers and pasturage. Above all, we also keep in mind his call to increase efficiency, save resources as much as possible and, in a word, to do more with less.

We are optimistic about the prospects in the livestock sector. Although this sector faced many problems a few years ago, livestock workers now have made important progress. Milk production plans are being overfulfilled, the rate of liters of milk per cow has increased; the delivery plans of cattle for slaughter have been met; and there has been a slight decrease in the calf mortality rate. There also has been progress in livestock feed production. Work is being done to reduce the costs of enterprises and make these profitable. We are also encouraged because we see that the livestock sector--through the already powerful Model Units movement being developed by the union and Agriculture Ministry through many initiatives, campaigns and advanced experiences--is on the path of the high efficiency and productivity we all expect.

The successes of porcine production workers are very encouraging. Their production in the first half of this year was 11 percent higher than for the same period in 1981.

Poultry workers, faithful to their tradition of efficiency and productivity, last year had a record production of 2.3 million eggs and met the goal of 100,000 tons of meat proposed by the union. They also are meeting their production plans this year, despite the limitations in feed and other necessities.

We are also optimistic with the rice workers who are carrying out a true revolution for high yields, and with the citrus growers who are overfulfilling plans on this important export commodity of our economy that is a source of foreign exchange for our country.

The growing progress of the apiculturists is encouraging. They generate foreign exchange for the national economy, and they already have overfulfilled by 20 percent their production plan for the first half of the year.

The improvement made in the utilization rate of farm machinery is one of the tasks that has impressed us most in recent times. The comrades of the trade union and Agriculture Ministry have given enthusiastic support to the effort of machinery and shop operators, finding in the Efficient Farm Machinery movement a powerful lever to turn this decisive and important agricultural activity into a struggle of the masses.

A very large number of collectives have had good results, and among them we should highlight the contribution of our agricultural-livestock innovators with more than 4 million pesos [in savings] and the contribution made to the sugar harvest by the 136 brigades made up of agricultural-livestock workers who helped the economy by cutting 310 million arrobas of sugarcane.

#### Agricultural-Livestock Workers Advancing on Objective of Making Agriculture Profitable in 1985

Now then, the most significant of the advances made in the agricultural-livestock economy in recent times lies in the fact that, as a result of the growing economic awareness on the part of our workers that organization in general should be improved, agriculture not only is meeting trade production and reducing costs, it also has moved from a situation of economic losses to a changing process and today it is saving 13 million pesos [presumably annually]. Furthermore, 173 enterprises had profits last year, which shows that agricultural-livestock workers are advancing on the objective of making agriculture a profitable activity in 1985.

There is no doubt that these results reflect a more demanding and more efficient administrative management effort and work.

These achievements also reflect the active and enthusiastic role of the National Union of Agricultural-Livestock and Forestry Workers [SNTAF], the style of work put into practice by trade union cadres in this sector, the support of the administration and the increasingly greater participation of the big mass of workers. This reveals the mass movement that is being gradually generated in the economic battle which our agricultural-livestock workers are waging. Proof of this are the powerful emulation movements they are involved in, some of which I have already mentioned, such as the Model Units, Efficient Machinery, Socialist Work Units, and others.

Now, for example, coffee workers involved in the Millionaire Movement expect a magnificent coffee harvest. Tobacco workers also are on the same path, despite some problems.

For all this, we wish to express the deepest gratitude of the CTC to the agricultural-livestock workers, to their union and to the sector's administrative officials.

An appeal for the necessary strengthening of work is also implied in this recognition. This is especially important in vegetable and tuber production, for which the union has proposed to undertake a powerful offensive of the masses to raise yields per area and make the next harvest a record one. For this reason, we believe it is necessary to hail the idea of holding Land Plowing Competitions in the field for the purpose of assuring a superior preparation of the land and superior quality of work on the land.

#### SNTAF Has Made Noticeable Advances on Its Work

The union also has been making noticeable advances on its work. Its action and influence not only have been linked to all these productive struggles, they

also have played an important role in many other tasks without which the results we are obtaining now would not have been possible.

Thus, for example, we should emphasize the high levels of affiliation reached, the positive financial management, the close link with rank-and-file organizations and with the workers. All this shows that the SNTAF now is a strong and vigorous organization.

Its work has been noteworthy in organizing the implementation of the General Wages Reform and application of the Systems of Bonuses and Pay for Production.

The union succeeded in registering the highest number of workers for the Ninth Grade Battle. Although it did not reach its goal, it did register 51,941 workers, the highest number among all the country's unions.

It has had relevant results in the protection of workers. Accidents have decreased and greater exigency by the union has been noted.

For the comrades of the union, the question of improving the standard of living is part of the struggle to increase work productivity and improve the workers' well-being. Among other actions, they have pushed for the construction of low-cost housing, self-consumption areas and optional dining halls. However, we know that a bigger effort is required on these tasks to guarantee superior service to the people.

Deserving the recognition on this day are the army of Vanguard Workers, the more than 15,000 men who will receive the Marcos Marti award, the internationalists and all our anonymous heroes who have made their extraordinary contribution to agriculture.

We Have To Work on Two Fronts: Production and Defense

If the imperialist blockade, the drop in sugar prices and all the problems we are facing as a consequence of the capitalist economic crisis condition the current situation, today more than ever our workers will have to face these difficulties with increased awareness and with a deep revolutionary spirit.

We also know that the U.S. Government is trying to take advantage of these adverse circumstances to create greater difficulties for us by obstructing trade, reinforcing the embargo and applying pressures so that Cuba will not receive the financial resources that are indispensable for our operations in the capitalist area.

The Yankee imperialists have never given up the idea of destroying the Cuban revolution by any means. They think that if our domestic economic situation gets worse, it could serve them as the means to again encourage the remains of the counterrevolution, foment subversion and even carry out some aggressive adventure against our country.

It is for this reason that today and always we must work on two fronts at the same time: the production front and the defense front.

This is why our workers maintain their struggle for productivity, savings and efficiency and, at the same time, must perform in an exemplary manner their duties in the reserves of our glorious Revolutionary Armed Forces and in the ranks of the powerful Territorial Troops Militia.

We could also add that all the work of the agricultural-livestock workers means an essential aid to the country's defensive capability. If we can produce more food, we will be better prepared to resist a total blockade and any other criminal action that our enemies could undertake. We will be stronger and more invincible if our external dependence for subsistence is less. Experience has shown that a popular war is won on the front with arm in hand as well as on the decisive battle for production.

Our labor movement, our party and our commander in chief know they can count on agricultural-livestock workers whenever, however and for whatever is necessary.

Let the successes we have had today be for you a new point of departure on the task of providing more food to the people and more export resources to the country's economy.

Let the movement of our agricultural-livestock workers to increase productivity, production, savings and economic efficiency in general be strengthened and developed by all possible means.

Let us advance, dear comrades, toward the year of the 30th anniversary of the glorious assault on Moncada Barracks with the firm purpose of marching toward a highly technical, more socialist, more developed and more productive agricultural-livestock production. Let us pledge the commitment of honor to struggle so that next year, in which we also will commemorate the 20th anniversary of the Second Agrarian Reform Law, our agricultural-livestock production will be the largest in our entire history. Let that be, with all our heart, our sweat and our effort, the worthy homage to the heroes and martyrs of 26 July, to our revolution and to Fidel.

Long Live Agricultural-Livestock Worker's Day!

Long Live Fidel!

Fatherland or Death!

We Shall Win!

9925

CSO: 3248/205

## COFFEE INDUSTRY PROBLEMS, NEEDS DISCUSSED

San Salvador LA PRENSA GRAFICA in Spanish 9 Oct 82 pp 4, 52

[Text] "Without seeming to appear ungrateful, we believe that the measure taken by the Central Reserve Bank in extending the expiration date of credits (which fell due on 30 September 1982) is merely a small aspect of the entire problem deserving priority attention," representatives of the coffee sector noted yesterday.

However, they said that it was necessary to recognize that at last a start has been made in breaking the deep silence surrounding the numerous plans to meet the urgent need to save the country's coffee industry.

They expressed hopes that things would continue in this way and that the problems would not be allowed to get worse from lack of attention.

Within this context, they said that the coffee growers are confident that they will not have to wait until 17 December or later for INCAFE [National Coffee Institute] to purchase from them the balance of the present harvest so as to solve thereby their credit commitments.

We are aware that the export quota is determined on the basis of surpluses (30 percent) and the country's production (70 percent), but within this framework," they said, "we consider that a viable solution is that the state (INCAFE) should buy our surpluses."

They explained that with said surpluses inventory can be built up so as to trade on a barter basis with nontraditional countries for a wide series of primary products or raw materials that we need.

They indicated that Guatemala has applied this formula with excellent results, since it has managed to place over 700,000 quintals [of coffee] in said markets.

## Other Measures

Furthermore, the informants said that the move by the Central Reserve Bank is only one in a series which must be taken simultaneously to avoid the paralysis of the coffee-growing sector.

They indicated that it is urgent that appropriate regulations be issued so that small producers, who represent the immense majority, may promptly have flexible and speedy credit available in order that they may complete the present harvest. These loans involve 90 colones per quintal for anyone who does not have a credit line.

Finally, they expressed their hope that the members of the Monetary Board will decide to grant them an audience to hear their problems. They must understand, the spokesmen of the coffee sector noted, that among their "numerous commitments" first place belongs to protection of the economy's backbone represented by coffee cultivation.

2662

CSO: 3248/174

## NETHERLANDS LIFT IMPORT BAN ON SALVADORAN COFFEE

San Salvador EL MUNDO in Spanish 26 Oct 82 p 1

[Text] The National Coffee Institute (INCAFE) reported today that the boycott which the Coffee Roasters' Association of the Netherlands had imposed on imports of coffee produced in El Salvador was lifted yesterday and that coffee bean shipments to that country of central Europe [sic] will be resumed in January 1983.

The president of INCAFE, Miguel Angel Solorzano, in the presence of its director general, Mauricio Ernesto Martinez, and the director, Don Juan Duch, explained at a press conference held today that the boycott of Dutch imports of Salvadoran coffee had been announced in March 1982 because of the death of four Dutch correspondents in an area of Santa Rita, Chalatenango, when according to some accounts the newsmen were caught by gunfire between the armed forces and extremists.

Solorzano explained that the Dutch boycott was lifted thanks to the good offices of countries friendly to El Salvador, including Switzerland, Italy, Germany, and others, which held that the Dutch position violated the agreements of the International Coffee Organization (OIC). Also, it was stated, another influencing factor in the Dutch decision was the report presented by the Dutch ambassador and a special envoy of that government on the results of an investigation of the death of the correspondents, determining that they found no evidence whatever of responsibility on the part of the Salvadoran Government in the matter.

Asserting that the lifting of the Dutch boycott on Salvadoran coffee imports has great importance for the national economy and especially for the interests of producers, the president of INCAFE reported that Holland was becoming the second largest purchaser of Salvadoran coffee after Germany with a volume of imports reaching 300,000 quintals. This represents an inflow of foreign exchange estimated at \$39 million. Holland's coffee imports accounted for an average of 12 percent of Dutch consumption in 1979-81 and also, it was explained, 9.5 percent of El Salvador's exports.

The announcement of the lifting of the Dutch boycott on the Netherlands' imports of Salvadoran coffee was communicated yesterday by the Coffee Roasters' Association of Amsterdam, indicating that its original conclusion, on suspending Salvadoran coffee imports, "was neither appropriate nor effective."



The officials of INCAFE also noted that Holland's decision is an indication that the misinformation campaign against our country in Europe is losing ground in the face of the Salvadoran reality. Finally, it was reported that the 1982-83 coffee harvest will be somewhat higher than that of 1981-82. Estimates before the September rains were 3.5 million quintals compared to 3.1 million quintals last year.

2662

CSO: 3248/174

## BRIEFS

WPJ CHARGES AGAINST U.S.--Deputy prime minister and minister of finance, Bernard Coard, has said that it is through unity that we will be able to defeat the mightiest enemy on earth. Comrade Coard made the remarks yesterday while addressing a large gathering at the rally in St David to mark solidarity day with the people of Angola. Commenting on plans by the Reagan administration to destabilize progressive countries in the region, Comrade Coard referred to a recent article in NEWSWEEK magazine, which article outlines plans to violently overthrow the Nicaraguan Government. He pointed out that while the article spoke of Nicaragua, Grenada will also be included in these plans. He recalled the many attempts to violently turn back the Grenada revolution, saying that all these have failed because of the strength of the people of Grenada. Comrade Coard used the opportunity to comment on reports that the Reagan administration is sending a high-level delegation to the CARICOM summit to pressure participating countries to isolate Grenada. This was revealed yesterday by the Workers' Party of Jamaica in a dispatch to radio free Grenada. Minister Coard said the purpose of the U.S. team is to stand behind the scenes, using their influence to manipulate CARICOM member states. The deputy prime minister reiterated Grenada's position that the CARICOM meeting must be used to deal with the critical issues facing the people of the region. [Excerpts] [FL130010 St Georges Domestic Service in English 2300 GMT 12 Nov 82]

GRENADA HOSTS OCLAE MEETING--St Georges, Grenada, 19 Nov, CANA--Students representing branches of the Continental Organisation of Latin America and Caribbean Students (OCLAE) are now in Grenada for a 2-day planning meeting. Grenadian representative of the OCLAE and president of the ruling Grenada New Jewel Movement's National Youth Organisation, Tarlie Francis, said the meeting would review last year's work programme of the OCLAE and make proposals for the coming year. Delegates at the meeting are from bodies including the guild of undergraduates of the University of the West Indies (UWI) campus at St Augustine in Trinidad and Tobago, the UWI Mona Campus in Jamaica, the Suriname Student Movement, and the Progressive Youth Organisation of Guyana. Mr Francis said the meeting would examine education and educational opportunities in the region and ways in which joint educational programmes may be implemented. The representative said the OCLAE was committed to the regional integration movement and supported those bodies objecting to the proposed restructuring of the UWI. [Text] [FL192245 Bridgetown CANA in English 2219 GMT 19 Nov 82]

CSO: 3298/1144

## EPISCOPAL CONFERENCE ISSUES PASTORAL LETTER

San Pedro Sula LA PRENSA in Spanish 28 Oct 82 pp 16-18

[Text] Introduction

On the occasion of the 10th National Pastoral Assembly, which was held recently, aware of our responsibility to cooperate in the common good and feeling ourselves to be solidary with the joys and hopes, the sorrows and distresses of all mankind (of. Vatican II, GS., 1), we wish to offer to all our faithful and to all men and women of goodwill these reflections on some of the most relevant aspects of our current national situation.

In doing this, we have no motivation other than the fulfillment of our mission as pastors, which obligates us to give our guidance at all times, particularly in new or more distressing situations.

This letter is intended to be a continuation and an update of the other letter which we issued on 15 January 1980 and which we titled "The Present Political Situation in Honduras." It is also in consonance with our message dated 5 September 1981.

Just as we did at that time, we wish to now offer our reflections on the current national situation, with a view solely to giving our sincere and loyal cooperation for the common good.

As we examined our problems, we kept firmly in mind those of our neighboring nations and particularly the period of sorrow and hardship being experienced by the sister church of Nicaragua. We are solidary with its suffering, protest the humiliations to which it and some of its bishops and priests have been subjected in many places and call upon God for full reconciliation and national peace in that country so that the Church will be able to freely carry out its evangelical mission.

1. The Economic Situation

1. The Problem in General

Taking a quick look at our national situation, one of the problems which emerges most forcefully is the economic problem. It is of such seriousness

that it cannot be considered within the limitations of merely technical laws and norms. We note every passing day that the economic problem tends to increasingly affect all the country's sectors and social strata, particularly the poorest sectors and strata and the weakest economic classes.

## 2. Some of the Most Acute Manifestations of the Problem

The manifestations we note most affecting our people during the current economic crisis are:

a) The lack of "money," with all this means in terms of price rises, shortage of resources, foreign exchange, low pay, etc. b) The lack of work, or unemployment.

a) The lack of "money": In first place is the lack of "money" which for everyone, particularly the poor, this means many limitations in health, nutrition, education, housing, etc.

b) Unemployment: Another manifestation of the seriousness of the economic problem is the large number of persons without work throughout the nation, particularly in the big cities. Unfortunately, we do not have statistics on this subject at hand; however, everyone knows of the great reductions in employees and workers which have occurred in the past 2 years, particularly this year, in all public and private organizations.

If in normal times the economically inactive population of our country is calculated to be over 55 percent of the entire population over 10 years of age (1974 National Population Census, Secretariat General of Economy, p 134), what would the percentage of our inactive population be today, after the great reductions in employees and workers which have occurred recently?

## 3. Consequences

The unemployment crisis, combined with the lack of "money," directly impacts on production in general and gives rise to the extremely dangerous vicious circle: for lack of "money" and because of the reduction in employees "money" is not generated and thus unemployment rises, which in turn increases the problem by geometric progression.

The consequences of this deteriorating economic spiral, if not stopped in time, could be very serious in all sectors, particularly in the political, social and moral sectors in general, and most particularly in each of the social sectors: education, health, housing, communications, etc.

1) In the political sector we can now easily observe a clear disenchantment in many sectors of the populace that took part in the 1980 and 1981 elections with such high hopes. We said in our January 1980 pastoral letter: "Central American circumstances, the internal socioeconomic situation and the general state of mind of the people tell us clearly that we are engaged in a dealing with a very delicate alternative, which, if it fails, could

degenerate into popular despair, perhaps in the political and social sectors, which would only benefit systems that suppress all human freedom." (n. 31) We said this then, and we see it more clearly now. Obviously, the economic situation which is of such importance to the life of the people has worsened considerably since then. The acute economic problem, if it continues without effective solutions in sight, could produce a very serious political crisis. This is not merely a matter of the political parties but rather of our entire policy in general.

b) In the social and moral sectors the country's acute economic problem without a doubt causes a rise in common crimes and offers a good pretext for agitators and friends of violence and national and international subversion.

c) In the education sector, Going even more deeply into each of the social sectors, in recent months we have experienced a serious teacher problem in the education sector, which has been quieted but not resolved.

d) In the health sector, we are alarmed to note the great shortage of medicines at hospital and health centers and, at the same time, to hear the cold predictions which are made at times that this situation could become much worse in the next few months, something we do not wish to believe. And, in addition to this, we have such high-priced medicines that in many cases they are inaccessible to the poor.

e) In the housing sector, we have observed how in recent times the flow to urban areas has increased and makeshift barrios have proliferated rapidly in the big cities. Many families, pressured by the acute economic situation, being unable to pay urban rents or to get a house in the city, are forced to leave it and live in poor districts which are subject to all the vices. In addition, humanly degrading conditions are created at times.

Thus we have continued to witness how the economic problem has its negative ramifications and consequences in all sectors of life and human coexistence.

#### 4. In Search of Solutions

Certainly our economic problem has deep roots in the context of the Central American and world economy. However, that is no reason for us to throw up our hands. We must see how we are to confront the situation.

Without considering ourselves experts in the field, but simply persons imbued with Christian faith which moves us to defend man as the center of creation and of every human sector, we feel that we can offer several suggestions which perhaps will be helpful in the search for solutions to the problem that concerns us.

Above all, we must recognize the seriousness of the problem and focus on it from a very human and solidary perspective.

a) Fight Against Administrative Corruption: If administrative corruption is always a detestable crime which affects human coexistence, it is all the more so in circumstances of crisis such as our own.

In our message dated 6 September 1981, we spoke clearly on this subject. The honesty campaign which the current president of the republic emphasized in his election campaign and which he is now commendably attempting to implement in his government certainly has contributed to a reduction in rate of administrative corruption. Would that this kind of corruption had totally disappeared...!

b) Avoidance of Egotism. However, in addition to fighting decisively against administrative corruption, we must attack all personal or party egotism. If all of us recognize the seriousness of the socioeconomic situation and if, moreover, we allow ourselves to be imbued by a really human and fraternally Christian feeling, we will avoid taking advantage of posts and positions for personal, class or party profit. To do otherwise under the present circumstances could be described as a kind of social sacrilege.

Probing more deeply into this attitude, all of us must be fully aware of the situation in which many of our fellow countrymen find themselves, particularly the poor and unemployed, without allowing ourselves to be caught up in the cycle of our own problems which today certainly affect every private part and each organization. Thus, for example, when taxes are decreed, rates are raised for services, prices are set and a reduction in workers is desired, we must think more of the human consequences than of the business, the enterprise or even the state. Therefore, as we stated in our pastoral letter of January 1980, the state is there to serve the people and not vice versa. If there are to be sacrifices, and no one doubts this, they should be considered and weighed very carefully and applied in a way that affects the have-nots the least. Each and every one of us in his own way must assume his share of the sacrifice imposed by the current situation.

On the other hand, when thought is given to demanding pay increases, which in every individual or group situation may be just, we must also think about the negative repercussions that such increases may have upon our brothers and sisters.

c) Trade Union Cooperation: What is more, we feel that the power of trade unions and similar organizations should be oriented toward thinking not only about their members but also toward creating a feeling of solidarity with those who are in worse condition than they. In the present circumstances, the best propaganda these organizations could make for themselves would be to see what action they could undertake, without demagoguery of any kind, to alleviate the lot of the less fortunate, by reducing unemployment, for example.

d) Greater Production. Frequently we hear experts in the economic sciences say that the present crisis calls for greater production. But without resources, with a very high rate of unemployment, how can we produce more?

That is where a maximum effort must be made to determine priorities in production and to direct our resources and human effort as much as possible toward this end. Also, every employed person in the public or private sectors and every laborer or worker, aware of the common situation, has to try to produce everything he can on his job. And this should be done not so much by a desire to earn more or to assure one's job but by a sincere wish to cooperate in alleviating the sorry human situation in which many of our brothers and sisters find themselves and which affects us all. If more is not produced, there will be less resources; they will cost more; and unemployment will increase.

e) Cooperation of All in an Overall Economic Program: In the face of such a delicate situation, of such complex causes and of very difficult solutions, we feel that a well-studied economic program should be developed and prepared with the cooperation of the government, private enterprise, trade unions and peasant organizations. This program should be directed toward becoming knowledgeable of the problem, determining the steps to follow to confront it, making the public aware of the need for the cooperation of everyone in the execution of each of its steps.

f) Responsibility of the Government and the Political Parties: The biggest task of the government and the political parties, if they wish to assure for themselves the sympathy and vote of the popular masses, is to present a realistic approach to the country's socioeconomic situation, oriented toward the common good.

It is a shame to see so much concern over the escalation of positions within the parties, during such difficult times, and to hear nothing, or almost nothing, about how to approach the serious socio-economic problems.

g) Reasons for Hope: We wish to remind our people that in spite of the gloomy picture we have painted and the serious difficulties we are experiencing, as Christians we have reasons for and elements of hope. First and foremost, the problems of Honduras are not economic in nature. It is an obfuscation and a loss of an entire gamut of values which must be recovered, along with a moral sense and the spiritual dimension of the human being as the son of God. "Man does not live by bread alone but by every word coming forth from the mouth of God." (Matthew 4:4) Christian faith and love, far from being elements of alienation, in some circumstances are the only force capable of bringing about unity and the struggle to overcome, even in the greatest of difficulties.

## II. Violence

### 1. The Problem in General

Another problem which appears to be getting more serious is the problem of violence: terrorism, disappearances, the mysterious discovery of bodies, assaults, robberies, kidnappings and individual and collective insecurity appear to have increased in the last 2 years.

It is true that in great part this violence is the result of violence in other neighboring countries. However, without a doubt, it also has its support, its bases and its causes in our country.

## 2. Great Dangers of Violence

Violence tends to polarize minds and all things in such a way that the time may come when everything is decided through violence. That is what those who direct and engage in violence want to promote: everything should revolve around them, whether for or against. That is their great propaganda ploy, particularly vis-a-vis youth. They wish to present things in such a way that young people have no alternative but to join in the violence. It is in this manner that in some countries these situations have become endemic. We must not fall into the trap of believing that only through one kind of violence will we remove another, because then we would be fully entering its devastating spiral.

## 3. Condemnation of Violence

We have repeatedly denounced all forms of violence, and we now do so again. Violence is not a solution. Violence is an unjustifiable evil because it "inexorably engenders new forms of oppression and slavery, usually more serious than the oppression and slavery from which they would free us." (Pueblo, 532)

Violence is not Christian. "Violence destroys that which it claims to protect: dignity and life, the freedom of the human being." (John Paul II in Ireland) We want this to be well understood not only by those who subvert public order but also by those whose duty it is to keep watch over such public order. The latter should not feel authorized to engage in violence of any kind, even though by doing so they are attempting to combat another kind of violence. Not only one kind of violence but all violence tends to destroy the freedom of the human being, which in turn generates more violence. The worst possible way to combat violence is to commit another kind of violence. The only thing this leads to is the entrenching of general violence. This has happened in other countries and could happen to us if we fail to proceed with total calm, something which is not compatible with decisiveness and firmness in the maintenance of public order and the authentic democracy in which we aspire to live and of the nation's sacred sovereignty.

## 4. Solutions

a) Prevent Violence and Attack It in Its Causes: To combat violence we must seriously analyze the causes of violence and its evolution and must unite to confront it with total decisiveness at its very roots.

b) Dialogue: Sincere dialogue, which should have the purpose of practical defense of the rights of every human being within the framework of God's law and the Constitution of the republic, should be the principal weapon used



to combat violence. Let us not forget that harmful inequalities and imbalances between economic and social growth are the principal causes engendering resentments, hatreds, divisions and bitterness, all of which are used by political agitators. A sincere dialogue on these problems could offer means of solution.

c) The Violence of Peace: As Christians, we should know that we are only permitted the "violence" of peace," which, based on justice and love, guarantees us definitive success: "Happy are those who work for peace because they will be recognized as the sons of God." (Matthew 5:9)

d) The Construction of a More Just World: And we are not going to believe that christian peace is only the passivism of turning the other cheek. It is instead working enthusiastically to construct the real framework of peace, which eliminates all violence. This framework consists in constructing a more just, more humane, and fraternal society.

### III. The Political Situation

#### 1. Lights and Shadows

Intimately connected to the economic and violence situations which concern us all is the political situation. From the time we wrote our pastoral letter in January 1980 up to the present, we have observed that in some regards it has improved but in others it seems to have worsened.

Today there is emphatic talk of our democratic government, which was freely elected by the people. This, doubtless, means great progress, although per se it is not the solution to all problems.

On the other hand, we see how our democracy continues to be disfigured in some respects. The first of these is that in spite of our now enjoying a more democratic civil government, the people are not experiencing the greatest gift of democracy to the degree desired: the necessary tranquility in freedom. There is a general feeling of greater fear, less freedom, particularly in the border regions, in some regions of the countryside and at times also in the big cities. Some dynamite attacks, discoveries of centers of subversion, some kidnappings and the resulting response on the part of the public order organizations promote that more uneasy state of mind which, if it continues to grow too much, could end our democracy.

#### 2. Civil Defense Committees

a) Advantages and Risks: An example of what we have said above the recent establishment of Civil Defense Committees.

Of course, we fully concur in saying that at all times, particularly in times of danger, every citizen should be a firm and decisive defender of the fatherland.

With the creation of the Defense Committee, we must assume that some citizens, instead of being just another soldier of the fatherland, have become traitors to it. But will the Defense Committees succeed in eradicating this distressing evil? Will they not instead encourage and promote the curve of fear, doubts and prejudices of some against others?

We feel that this is true for various reasons, particularly because of the duties which have been assigned to the committees, because of the secrecy which surrounds them and because of the experiences offered by other countries.

b) All-embracing Control of Committees: Keep in mind that, according to what we have been told, they are not only to be organized at the departmental and municipal levels but an effort will be made to subdivide them into labor, commercial, religious, etc, subcommittees. The principal duty assigned to them is one of control and coordination of all those activities engaged in by the different civilian sectors within their jurisdiction: labor, agrarian, public, commercial, energy, transportation, political, economic, religious, the news media, education, living resources of the population, industrial and unspecified sectors. As we can see, nothing will escape the control of the Defense Committees. Will not this amount of control be susceptible of promoting fear and creating a general ambience of mutual distrust?

c) Their Powers of Repression: At present, the Defense Committees are supposed to be ready in case of emergency to take all the necessary steps in preventive actions and if possible in repressive and execution actions just like one more soldier in defense of the fatherland. This originally seemed quite all right; however, in practice, in addition to lending itself to much confusion, it presents enormous dangers.

d) Their Secrecy: What is more, will not the mysterious secrecy which surrounds these committees facilitate unfounded denunciations, personal revenge (particularly now that it is so easy to destroy someone by accusing him of being a communist) and unlimited control over the parties and their leaders? Although the committees have been told forthrightly that they should avoid any kind of harmful information, in practice they lend themselves to this, no matter how much we are told to the contrary. And in the short time they have been in operation we already have a specific case of baseless and harmful information in one of the committees.

e) Other Experiences with Civil Defense Committees: Generally these committees are set up in nations with regimes of the extreme right or extreme left. We are unaware of any committees being organized in nations that pride themselves on being democratic.

Moreover, the experience of the operation of these committees in other countries has been very negative. In addition to civilian and military authorities another authority is established which because of its ambiguous civilian-military character and because of its secret structure is not

sufficiently controlled by anyone and, in the end, causes major headaches to the military and civilian authorities and particularly to the populace in general which does not know upon whom to depend or in whom to confide.

Wherever Civil Defense Committees or similar organizations have been established, the people have gradually lost their freedom and have been dominated by the specter of fear and general distrust. This gradually creates increasing repression until at times the most basic civil freedom is lost.

f) Are They Really Effective?

Moreover, in the face of the subtle tactics of organized subversion, can the Civil Defense Committees really be effective? Remember that the organized subversion of today should be confronted by highly specialized organizations and not by civilians thrust into positions of would-be detectives. What these committees generally succeed in doing is making subversion become more subtle and submerging the people in general in greater danger and making them feel that their freedom has been diminished.

g) Are Suggestions in Order? Perhaps some of the above-mentioned drawbacks could be corrected by having the committees be totally and exclusively civilian, with the participation of all the political parties and each of their factions, and by also eliminating from them all secrecy, whether in their organization, composition or activities. The committees should also carefully avoid anything that could resemble a military or paramilitary organization. This means powers of repressions, because repression practically suppresses constitutional rights.

h) Balance Sheet: Comparing advantages and disadvantages, we sincerely believe that the disadvantages outweigh the advantages and that these committees cannot get the cooperation which the people in general might provide if they were given proper orientation. If this were done, the serious risks entailed in the Civil Defense Committees would be avoided.

### 3. Politics and the Common Good

Another sector in which politics seems not to have made much progress is in its projection to the common good. In fact, we are witnessing how the activities of the most representative political parties in the country focus perhaps too much on the struggle for power within the party. Instead of all of them concentrating on an effort to find solutions to the big national problems, by joining the government and all the human resources in the search for and development of the common good, we often see fierce struggles within the parties and a legislative branch which at times gives the impression of operating more out of party interest than for the good of the whole nation.

Once again we should like to remind everyone that the primary task of political parties is the common good. The internal organization of the parties, of the government itself, the distribution of duties and positions, their activities program, all has to be focused on the common

good and, within the common good, on man. Only in this way will they attain credibility, win followers and have real success. Let there be no doubt: the cohesive ingredient of the government and the parties, both between one another as well as with their subjects and supporters is the task of the common good, taken up decisively and honorably.

#### IV. Peace

##### 1. Internal and External Peace

Another problem that rises forcefully to the surface of our national situation is internal and external peace.

We have spoken about internal peace somewhat in our remarks on violence and some aspects of our political situation. We should now like to take up the subject of external peace.

##### 2. Peace Offensive

We praise and fully subscribe to the valiant effort for peace undertaken by the government a few months ago which was launched by the president on the day he took office. We predict that these desires for peace will reach all sectors of the government, both civilian and military.

##### 3. Dangers to Our Peace

a) In the midst of this peace offensive and contrasting with it, reports or rumors of military incidents or mutual interventionism with neighboring nations are frequently made public. Thanks to God it seems that recently there has been a decrease in such incidents, which have caused so much concern for a long time, particularly in the last 2 years.

b) We have experienced periods during which some have predicted and practically bet on an imminent and inevitable war between Honduras and a neighboring country. There are even some leaders and news media of the great powers that have issued a warning advising against any military adventure.

c) Subsequently, a high-level and resentful element of the armed forces, which the public condemned vigorously because of its vile slander, denounced in a somewhat crude and insulting manner, the pro-war sentiments of the top leadership of our armed forces.

d) Also, in spite of the fact that all of us are convinced of the great need for general disarmament in our region, news reports speak about a general increase in arms which also affects our people.

##### 4. Precarious Peace

All of the above-mentioned factors have summarily created an ambience of noticeable general uneasiness and where there is uneasiness there is no real peace.

What the holy father mentioned in his peace message dated 1 January 1982 is happening among us: "Today peace has become a matter of greater concern throughout the world not only for those responsible for the fate of nations but also, and above all, for broad sectors of the population and for many individuals who generously and tenaciously are engaged in the work of establishing a peace mentality and of implanting true peace among peoples and nations. Certainly, this is a comforting reality. However, we cannot hide the fact that in spite of the efforts employed by all men and women of goodwill, serious threats continue to weigh heavily upon peace in the world." (n. 2)

## 5. Construction of Our Peace

Peace is a work of art which is not improvised, which demands much effort and in which we must all feel involved. As we work and try to create and consolidate peace, we must keep in mind what Pope John Paul II said: "Nothing is lost with peace; everything could be lost with war."

Applying this to the case of Honduras, however serious and profound our differences with one or another of our neighboring countries may be, we firmly believe that these differences will not be resolved by war but will be aggravated to unsuspected limits. If the so-called "mini-war" between Honduras and El Salvador in 1959 which in only 5 days and almost without arms produced consequences so serious that--13 years later--we still have been unable to completely overcome them, who can calculate the damage which could now befall us in a war between two nations that are much better-armed?

Certainly, war would not resolve our problems. Very probably it would expand and aggravate them.

However difficult it may be, there is no other road to true peace than that of dialogue, sincerity in wishing to remove all obstacles impeding mutual confidence and honest use of the news media.

a) Dialogue: Dialogue is so important to peace that the subject chosen by the holy father for Peace Day this year is this: "Dialogue for peace is an urgent need of our times."

In some cases, it might prove to be difficult and perhaps frustrating. However, so long as there is dialogue, there is no fighting; and if there is sincerity in dialogue, peace will finally be found.

b) Removal of Obstacles: We also believe that there should be a serious commitment to remove any obstacle which impeded mutual confidence or which is capable of causing friction. In any event, it is the plain truth that from our country there is no encouragement or toleration directly or indirectly of any activity by anyone against any country. And if this is really the reason for so many incidents, we should seek ways, perhaps internationally and without diminishing our sovereignty, to gradually

demonstrate that in this country there is no internal conspiring and we do not permit conspiracies against any nation. Any sacrifice and progress to this end would once again show that our government and our people are really peace-loving.

c) Peace, the Task of the News Media: The importance of the news media in the cause of peace is known to everyone. All of us can recall very well how in 1969 some called that war between Honduras and El Salvador "the war of journalists and commentators," because of the relevant role they played in the war.

Therefore, it is advisable for the news media to combine to cooperate decisively for peace. They should be given all the help they need to clarify truthfully and dispassionately any incident that arises in Honduras' relations with any of our neighboring countries. In this regard, we told the Pope in January 1982: "The leaders have to feel supported and enlightened by the public which encourages them and, if necessary, administers its reproach. Consequently, it is also normal for governments to explain to the public everything regarding the problems of peace." (Message for Peace Day 1982, n. 2)

No matter how much sensationalism is offered by war, the news media should not take the side of war but rather of peace. Although they should never be partial, if they ever are let it always be for the cause of peace.

d) Prayer for Peace; Finally, we should all fervently pray for peace because "peace above all is a gift from God--we should never forget it--and should always be implored from His mercy." (John Paul II, *ibid*, n. 13)

Imbued with this conviction, we call upon all our priests, religious communities, delegates of the word, apostolic movements and associations in all parishes and religious communities or communities of the faithful to offer their special prayers asking for peace in Honduras and throughout Central America.

And, to conclude, we invite all to now fervently repeat with us the prayer of the Franciscan, Francis of Assisi: "Lord, make us instruments of peace; where hatred dominates, let us proclaim love; where there are offenses, let us offer forgiveness; where there is discord, let us build peace."

Tegucigalpa, 22 October 1982, 4th Anniversary of the Pontificate of His Holiness John Paul II.

Mons. Hector Enrique Santos Hernandez, archbishop of Tegucigalpa, president of the Episcopal Conference

Mons Jaime Brufau Macia, bishop of San Pedro Sula

Mons Marcelo Gerin, bishop of Choluteca

Mons Geraldo Scarpone, bishop of Comayagua

Mons Evelio Dominguez Recinos, assistant bishop of Tegucigalpa

Mons Raul Corriveau, assistant bishop of Choluteca

Mons Oscar Andres Rodriguez, assistant bishop of Tegucigalpa, apostolic administrator of Santa Rosa de Copan and secretary of the Episcopal conference.

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CSO: 3248/230

## BRIEFS

GUERRILLAS OCCUPY RADIO STATION--San Pedro Sula (Honduras), 20 Nov (ACAN-EFE)  
--Members of the leftwing "Lorenzo Zelaya" command of the Peoples Liberation Forces [Fuerzas Populares de Liberacion] of Honduras occupied a local radio station today to broadcast a message commemorating the second anniversary of the guerrilla group. The action came as a surprise to the station guards, who were locked up in the building's storehouse by two heavily armed men and one woman. The station announcer was obliged to broadcast five consecutive times a recording that the guerrillas had. This is the second time that a radio station of the "Audio Video" System of Honduras has been the object of such an attack. Last April a commando of the Cinchoneros group occupied a station for similar reasons. [Text] [PA210108 Panama City ACAN in Spanish 2058 GMT 20 Nov 82]

REFLECTION OF CGT LEADER--San Pedro Sula--Felicito Avila was reelected as secretary general of the General Workers Confederation, CGT, for the 1982-1984 term during the Seventh CGT Congress. [PA212145 San Pedro SULA TIEMPO in Spanish 8 Nov 82 p 8]

CSO: 3248/301

## BORGE'S LETTER TO COPPPAL PUBLISHED

Managua BARRICADA in Spanish 9 Oct 82 p 5

[Text] My modest but demanding responsibilities in the conduct of the Nicaraguan revolutionary process have thwarted my fervent wishes to comply with the requirement to be present at this meeting that accrues from my capacity of vice president of the COPPPAL [Permanent Conference of Latin American Political Parties].

We have requested our brother Sergio Ramirez, member of the Junta of the Government of National Reconstruction of Nicaragua, to be the bearer of this greeting to the felicitous gathering at La Paz.

Brethren of the COPPPAL: Never like today and perhaps like never in the past has Latin America been faced with the challenge of bringing together its forces, of taking hold of the common and deep roots of all our peoples to defend democracy, freedom and the right to our self-determination. Never like today have peace, welfare and even the very existence of mankind been so seriously deteriorated and international security seen itself so threatened, and therefore like never in the past, Latin America is being urged to gather the material, political and moral strength of our continent to share in the struggle to preserve peace and to transform the immense riches of Latin America into an oasis of peace, welfare and progress for mankind.

Never has the most powerful country on earth and the one bearing the greatest responsibility in our hemisphere clearly oriented its world policy over the rough roads of military adventure, prepotency, arms buildup and confrontation on a global scale.

Never like today has the Central American region witnessed such a precarious economic and social condition, such a worsening of poverty, and shockingly suffered the death of 35,000 and the displacement of 800,000 Salvadorans, tens of thousands of victims in Guatemala, tens of Nicaraguan citizens assassinated by the counterrevolution, and the increase of the repression in Honduras as a result of the intransigent U.S. policy which predominantly prefers bloodshed and violence to the imperative of peace and stability that the region demands.



## The COPPPAL Denunciation Still Valid

Never like today has there been more validity to the timely statement of COPPPAL, which in February of this year strongly denounced the military interventionist threats and preparations of the U.S. Government in Central America and the Caribbean, the arms buildup and the ideological speech or confrontation of the current U.S. administration.

Never like today have peace and welfare been so indivisible--the peace that we will be able to achieve only by following the course set by COPPPAL of relaxation of tension, practice of the dialogue and negotiation as indispensable conditions to a peaceful solution of the conflicts that beset Latin America, jointly with the concessive economic cooperation of the more developed countries which, without discriminations, exclusions of partialities, will favor the objectives and priorities of each country and the establishment of a just and equitable international economic order that does justice to the work of the countries of the Third World.

And never like today have the strict respect of the principles of nonintervention, the free self-determination of countries, and the peaceful solution of disputes been such imperative preconditions for peace, as the parties of COPPPAL have declared.

## COPPPAL Should Support Peace

I am certain that the more than 300 million men, women and children of Latin America will hail the ratification of the decisions of COPPPAL which surely will issue from this meeting of peace, and that this more than 300 million people will also acclaim the staunch support of COPPPAL to the peace initiative of Mexico and its president, Jose Lopez Portillo, the Venezuelan President Luis Herrera Campins, as well as the statement of our government and the Sandinist National Liberation Front (FSLN).

As vice president of COPPPAL, I request this democratic and anti-imperialist organization to ensorse fully the aforementioned statement, as well as the peace initiatives of the FSLN and the Revolutionary Government of Nicaragua, and the equitable and generous peace proposals of the Farabundo Marti National Liberation Front-Revolutionary Democratic Front (FMLN-FDR) of El Salvador.

As we once said at one of our meetings, dear colleagues, there are only two alternatives: support the powerful, overbearing and interventionist government of the United States or support the small and victimized countries, i.e., back up Goliath or back up David.

We hail with considerable Latin American joy the restoration of democracy in Bolivia fully confident that with this historic step, accomplished by the effort of the miners and all the people to the tune of Indian drums and flutes, freedom for the proud people of Bolivia will be reasserted.

Free Fatherland or Death!

Tomas Borge

## BRIEFS

AGREEMENT WITH FRG--Nicaragua and the FRG have concluded a technical cooperation agreement on the use of renewable energy sources, signed by Deputy Foreign Minister Nora Astorga and FRG Ambassador (Horst Heinberg). The project will be implemented by the General Directorate of Agricultural Technology and the Technological Research Center of the Agricultural Development and Agrarian Reform Ministry. The agreement stipulates that the FRG will give \$19,800 for the installation of a biogas plant and will send two German agronomists to the country. Nicaragua's obligation is to finance part of the infrastructure, to supply the coordinator of the project and to give the necessary support to the FRG experts. [PA260214 Managua Radio Sandino Network in Spanish 1200 GMT 25 Nov 82]

CZECH LABOR REPRESENTATIVE--(Kurt Natch), official in charge of Latin America for the Czech Council of Trade Unions, is visiting our country at the invitation of the Sandinist Workers Federation [CST]. He arrived here yesterday and his visit is aimed at increasing the ties of friendship with the CST. [PA241840 Managua Radio Sandino Network in Spanish 1200 GMT 17 Nov 82]

GREETINGS TO MONGOLIA--The Nicaraguan Committee of Solidarity With Peoples today sent a message to the revolutionary Government of Mongolia on today's commemoration of the 61st anniversary of revolutionary victory in that country. The message states: The 1921 revolutionary victory was the result of a lengthy struggle of the people, led by the Mongolian People's Revolutionary Party, for national independence and social liberty. The Nicaraguan committee will hold cultural events in schools, factories and enterprises to report on the Mongolian revolution's true situation and history. [Text] [PA241840 Managua Domestic Service in Spanish 0300 GMT 23 Nov 82]

LOANS, CREDITS GRANTED--Brussels--The EEC has granted Nicaragua \$8.7 million in economic aid to promote agricultural development and agrarian reform, according to a resolution issued by EEC foreign Ministers. [PA241840 Managua Domestic Service in Spanish 0300 GMT 23 Nov 82] Nicaragua will receive 10 million Swedish crowns, \$1.5 million, from the Swedish Government for reconstruction of eight schools in the departments of Carazo, Granada and Chinandega and to finish 462 houses. [PA241840 Managua Radio Sandino Network in Spanish 1200 GMT 20 Nov 82] The Government of Finland will give the Nicaragua people's revolution a new credit line of \$6 million. This credit is part of an economic cooperation program for developing countries that Finland has established. The credit line will become effective next year. [PA241840 Managua Domestic Service in Spanish 0300 GMT 23 Nov 82]

TRADE MINISTER AT GATT MEETING--Geneva, Switzerland--Alejandro Martinez Cuenca, Nicaraguan foreign trade minister, today reiterated his country's integrationist spirit in favor of solving the commercial problems of Central America with the instruments of the Central American Common Market. Martinez Cuenca, who is in Geneva to attend the GATT ministerial meeting that begins on Wednesday, stressed the need to analyze the problems of world commerce according to a profound examination of the global situation regarding the relations among developed and developing countries. Martinez Cuenca said that his country is opposed to the use of commerce as an instrument of coercion. He said that Nicaragua is fully convinced that to solve commercial problems it is necessary to study their financial aspects, especially the growing foreign debt of Third World countries. [Text] [PA240232 Managua Radio Sandino in Spanish 1830 GMT 22 Nov 82]

TRADE MINISTER ADDRESSES GATT--At the GATT conference which is currently under way in Geneva, Nicaraguan Foreign Trade Minister Alejandro Martinez Cuenca condemned U.S. maneuvers against the Nicaraguan Sandinist Government. The developing countries cannot be asked to trust the self-styled defenders of free trade when one notes the experience of Nicaragua, which is being pressured by restrictive and coercive measures imposed by the other involved party, Martinez Cuenca stressed. He added that Nicaragua's trade has been affected this year not only by the international economic crisis, but also by the threats of confrontation promoted by those who view conflicts only under the lens of an East-West contradiction. [Text] [PA271409 Havana International Service in Spanish 0000 GMT 27 Nov 82]

MILITARY TRAINING FOR POLICE--The members of the Sandinist Police are receiving military training in order to defend the revolution if it is attacked by U.S. imperialism. In order to receive the military training, the compañeros are methodically taken to the mountainous areas of the country to receive the basic notions of the military art. Classes start at 0300 hours with morning exercises, and the men return to camp at the end of the sessions to engage in various activities intended to strengthen discipline and the levels of combat readiness. Subsequently, they receive theoretic classes that are later put into practice by means of drills performed in locations adjoining the camp. At night, the safeguards of the tranquility of the people carry out political study circles whose main topic is the problems that the revolutionary process faces each day. The discipline displayed by the policemen during the training activities and their perseverant participation in the classes are clear evidence of the awareness of the importance of these courses, which will provide a more effective defense of the country. The withdrawal of policemen from their posts does not affect the performance of the tasks of the police organization because the remaining men assume the workload of the absent ones, the Department of Public and Foreign Relations of the MINT [Ministry of the Interior] said. This is how the members of the Sandinist Police show their desire to serve the country better and better, confirming in revolutionary practice the fact that they are the sentinels of the happiness of our people. [Text] [Managua EL NUEVO DIARIO in Spanish 6 Oct 82 pp 1, 8] 8414

## BRIEFS

SUPPORT FOR CARICOM PARTICIPATION--Georgetown, Guyana, 13 Nov, CANA--Suriname's charge d'affaires to Guyana, Henk Herrenberg, is confident that the Caribbean community (CAROCOM) heads of government summit opening Tuesday in Jamaica will favourably consider his country's application for full observer status of the 12-nation grouping. Suriname is standing at the door of the CARICOM community and is knocking and I am confident that the CARICOM leaders will open the door, he was quoted today in the state owned media as saying in a recent interview. The diplomat who will join his country's delegation to the Ocho Rios Summit and then go on to the Hague to take up his appointment as Suriname's ambassador to Holland, said that he was particularly happy that Guyana was the country leading Suriname's cause for entry into the regional body. Years of close relationships between the countries, migration across their common border, and the fact that some 30,000 to 40,000 Guyanese now live in Suriname qualify Guyana as the best country to represent Suriname's case, Mr Herrenburg explained. He was also quoted as saying that there are still areas of difference between the two countries, an indirect reference to an outstanding border issue, but added that the two governments are at the point where they communicate freely, which is good for future relations. [Text] [FL151729 Bridgetown CANA in English 0009 GMT 14 Nov 82]

CTRC MEMBERSHIP--Bridgetown, Barbados, 11 Nov, CANA--Suriname has become the newest member of the Barbados-based Caribbean Tourism Research and Development Centre (CTRC). The CTRC said Suriname's application for membership had just been approved by its board of governors. This brings to 29 the number of Caribbean basin states belonging to the CTRC. [Text] [FL111711 Bridgetown CANA in English 1703 GMT 11 Nov 82]

CSO: 3298/1147

## NEW ALTERNATIVE MOVEMENT SUPPORTS CTV, CUTV CAMPAIGN

Caracas EL NACIONAL in Spanish 14 Oct 82 p D-22

[Text] Yesterday, the national labor union leadership of New Alternative--a movement which, together with the MEP [People's Electoral Movement], the PCV [Communist Party of Venezuela] and other leftist and independent groups, favors the presidential candidacy of Dr Jose Vicente Rangel--declared publicly its support for the mobilization called for by the CTV [Confederation of Venezuelan Workers] and the CUTV [Single Workers Federation of Venezuela]. This mobilization drive is in support of the rights of workers, wage compensation and collective bargaining.

This declaration is endorsed by labor leaders Humberto Romero, Clemente Castro, Heli Saul Puchi, Jesus Maria Pacheco, Manuel Caricipe, Angel Calderon and Pedro Chinchilla.

Here is the text of the communique:

"The national labor union leadership of Unity for the New Alternative (UNA), together with its regional leaders from throughout the nation, held an emergency meeting to analyze the national labor situation and the mobilization ordered by the CTV. The following resolutions were adopted:

- 1) The workers' present situation can be characterized as one of the most serious and dramatic of the past years. This will inevitably lead to a labor emergency in 1983 in which serious labor conflicts cannot be discarded.
- 2) The problems now taking the workers to the streets are the best proof that President Herrera's economic and social policies have failed. As a result, the nation today is facing a crisis and is heading toward disaster because there is no change of course toward the interests of the people and the workers.
- 3) For the worker, his family and other low income sectors of the population, the picture could not be more distressing: wages are insufficient in view of the cost of living; sources of work are becoming scarce; massive layoffs are the order of the day and unemployment has reached a new high of 14 percent for 1982.

4) The actions of the monopolies, the big enterprises and the speculators are gaining more power each day in view of the impotence and even, in many cases, the complicity of the bureaucracy.

5) In view of these facts, the CTV and CUTV's response--a call for mobilization--is correct and has the decided support of union tendencies, such as New Alternative, which work within it.

6) Immediate wage compensation because of the accumulated deterioration of the workers' buying power during the last two years as well as the creation of an indexed wage scale as a permanent real wage defense mechanism [are needed]."

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CSO: 3348/79

## FTC GIVES CTV LIMITED SUPPORT

Caracas EL NACIONAL in Spanish 14 Oct 82 p D-8

[Article by H.L.]

[Text] Although the Social Christian Workers Front [FTC] ratified its support for the mass meetings scheduled by the CTV [Confederation of Venezuelan Workers], it denounced that "slogans and language are being used which reveal the intention of using these activities for demagogic and electoralist purposes."

Senator Dagoberto Gonzalez, national labor union secretary of COPEI [Social Christian Party], chaired a plenary meeting which analyzed the CTV's economic document as well as the circumstances surrounding the mass meetings it is calling for today. He gave the following declaration:

"We categorically support the workers' right to civically express their aspirations, worries, and proposals in defense of their class interests. As a result, we have been in agreement all along on the mass meetings scheduled by the CTV, through its federations, to discuss the document's contents and alternatives. These certainly deserve weighty review and serious contribution on our part. This we will provide at an opportune time.

"However, we are forced to denounce, yes denounce, the use of slogans and language for motivational purposes that reveal the intention of using these mass meetings for demagogic and electoralist purposes. The unitarian and authentically labor movement significance that they should have is being irresponsibly distorted.

"Under such circumstances and perspectives and acting within the policy of 'conditional participation,' which we have vis a vis the CTV, the national labor union plenum judged it necessary that FTC militants be allowed to attend the CTV mass meetings. However, they are to remain alert to any insult or provocation that may be directed against us. They should denounce any baseless and unjust verbal aggression which, solely for the sake of crafty oppositionist tactics, is purposely directed against the government, the party, the presidential candidacy or the social christian ideology, of which we are loyal defenders and utmost supporters.

"Press reports, written or verbal declarations by certain leaders of Democratic Action-Marxism-Leninism as well as certain fliers and pamphlets that have reached us are the reasons that lead us now to make this categorical statement. Our proven and continuous solidarity with the real and legitimate interests of the workers does not let us fall into the trap of confusing the CTV, as a labor organization, with a party labor office that wishes to manipulate the workers and their organizations electorally."

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CSO: 3348/79



## CTV INITIATES NATIONAL MOBILIZATION CAMPAIGN

Caracas EL NACIONAL in Spanish 14 Oct 82 p D-8

[Article by Hugo Lopez]

[Text] The CTV [Confederation of Venezuelan Workers] will mobilize approximately one million workers beginning today for a series of labor activities. These are aimed at pressing for pay compensation in view of the deterioration in real wages that has been estimated by labor federation experts to be 45 percent for the last 3 years.

The nationwide CTV mobilization drive will begin this afternoon in Caracas, Delta Amacuro Federal Territory, Aragua, Anzoategui, Tachira and Zulia.

The second day of grievances will be in Barinas, Merida, Carabobo, Falcon and Sucre (Cumana) on Thursday 21 October 1982.

The third day of grievances will take place in Lara, Cojedes, Trujillo and Sucre (Carupano) on 28 October 1982.

The CTV's schedule of events will continue on 11 November with internal union and federation activities in Bolivar, Apure, Nueva Esparta, Yaracuy and the Federal Territory of Amazonas.

On 11 November 1982, the CTV will also hold the fifth [sic] and final day of grievances in Monagas, Portuguesa, Miranda and Guarico.

#### Primary Aspirations

Mr Sotero Rodriguez, treasurer of the CTV and chairman of the strategy committee coordinating the activities that begin today, analyzed the scope of the labor grievance actions. He warned that this is not a matter of pressing for a general wage increase but of obtaining compensation for the deterioration in workers' real income.

"The CTV's advisory committee of economists has indicated and figured that the workers' wages have decreased 45 percent during the last 3 years. In other words, what a worker could buy 3 years ago with 100 bolivars now costs 145 bolivars.

"It is for this reason that the labor federation is getting its activities underway in search of wage compensation and not of a specific increase in what the workers are entitled to.

"In addition to this objective, the labor activities also have these other goals:

"a) Improvement of medical assistance--not only in the Federal District but throughout the country--especially since a number of Social Security and Ministry of Health hospitals are on the edge of collapse. This fact is known in the executive branch of government.

"b) Emergency measures against insecurity of property and people.

"c) Effective solutions to the crises in the public services (telephone, water, urban sanitation, etc.) which are the cause of people's suffering.

"We are going to raise all these points in the regional mass meetings. These, however, have nothing to do with the collective bargaining that is taking place with the state and private enterprises."

In addition to the above mentioned situations, Sotero Rodriguez also announced that the CTV will demand government measures to revive the economy.

"The labor leadership fearfully sees that each day there are notices of enterprises closing and a slow down of activities in a number of sectors. This translates into an unemployment threat for large numbers of workers," stressed the CTV treasurer.

He noted that other legally constituted institutions which want to show, by their presence, their solidarity for the CTV's proposals will also be joining in the activities that begin today in the headquarters of the federal level organizations.

"Those who wish to join these regional mass meetings may do so under the CTV banners so that these activities are not subjected to any type of deviation. If there is participation from a given sector it will be on an individual basis and not as organizations."

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CSO: 3348/79

## BRIEFS

PREFERENTIAL RATE FOR SMALL INDUSTRIES--The National Discount Bank [BND] will establish a 10.5 percent preferential rate on loans for small and medium size industries. This will be the first action to be decided by the special committee formed by the bank's directors. Its members are: Angel Ramon Paez, former president of Corpoindustria; Miguel Valderrama, president of Fedeindustria; Alfredo Caraballo, manager of the FIV [Venezuelan Investment Fund] and Jose Gabaldon Anzola, president of the BND. The agreement will include a reimbursable subsidy contributed by the Corpoindustria. This subsidy will cover the difference between the preferential rate and the true market rate for industrial loans. The small industrialists expect that the BND will grant them approximately 100 million bolivars during the current quarter while in 1983 they hope to receive between 700 million and 1 billion bolivars. Corpoindustria, which received an additional 120 million bolivar credit, has spent half of this amount. Of the remaining 60 million, it has not yet been established how much will go toward the subsidy implied in the BND agreement. [Text] [Caracas EL NACIONAL in Spanish 14 Oct 82 p A-1]

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END

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